IE CBC: At the Crossroads • SERVICE: Dishing Out Rudeness

CANADA'S WEEKLY NEWSMAGAZINE

Maclean's

JANUARY 11, 1999

CANADA'S OBESITY EPIDEMIC

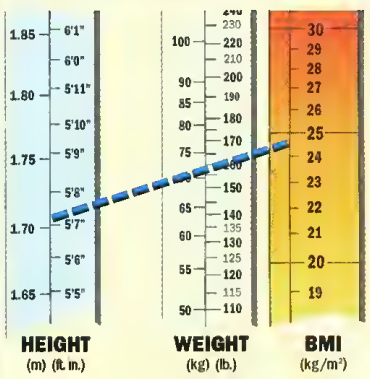
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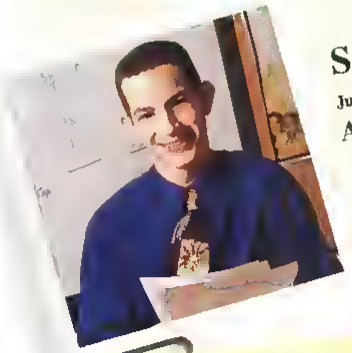
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Maclean's CANADA'S WEEKLY NEWSMAGAZINE

This Week

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ROGERS Communications Entertainment

COVER

The obesity epidemic



MADE NETWORK INC

54 Half of all Canadians are overweight, and specialists blame sedentary lifestyles and bad eating habits. They advocate lifestyle changes based on moderate eating habits and more physical activity. But the overweight are rebelling—against insults and discrimination, and against ineffective diet regimens

Features



SPECIAL REPORT

44 Dishing out rudeness

A chorus of grumbling is rising across the land. Customers are fed up and griping about bad service that ranges from indifference and poor manners to contempt and naked hostility



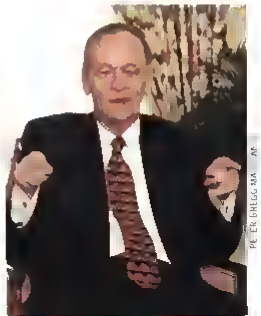
PETER CHEEMA

68 CBC at a crossroads

Uncertainty prevails at the CBC where president Perrin Beatty is trying to reinvent the broadcaster for the age of convergence, despite the fact that his term expires on March 31 and it is not yet known whether he will be reappointed

20 The view from Sussex Drive

Prime Minister Jean Chrétien discusses his role in the 1997 APEC summit, the future of the monarchy in Canada—and Brian Mulroney



PETER CHEEMA

From The Editor

The decline of service



For many Canadians, the phrase "service sector" is something of an oxymoron. From car dealers and banks to restaurants and airports, it seems, the Canadian customer is usually wrong. That, at least, is a prevailing theme of a special report on service in this week's Business section (page 44). Everyone, it seems, has horror stories about the uninformed clerk, the surly waiter, the testy customs agent. Who has not changed their make of car because of a too-slick salesman or an arrogant service department? Who has not been advised by an airline that a flight has been delayed by weather at the next stop, only to land without any sign of a storm? Who has not sat on hold waiting for an agent or played a symphony on a telephone key pad responding to a recorded voice ("For service in English, press 3").



A Vancouver restaurant: searching for civility

The idea for the article arose out of such personal experiences of *Maclean's* staff members—and, to be sure, from the complaints that are close to home about magazine delivery, cable television options and cell phone policies. We thus pursued the story in the spirit of people venturing out of glass houses to throw stones, prepared as well to look at the many success stories.

One of the most common laments was about the big banks. Long-time customers complained about problems getting a loan for a new venture or service at a counter. Indeed, in a recent *Maclean's* poll it became clear that people who were most dissatisfied with their own financial institution were among those most opposed to the proposed mega-mergers of two sets of Canadian banks. A study in 1997 by the ACNielsen research company ranked the banks 17th out of 21 institutions, followed only by large retailers, the post office, cable TV and government. In a sense, the mergers died from the banks' own legacy of soaring service fees and customer unhappiness—because the banks had no supporters among grassroots Canadians. A similar consumer revolt caused cable TV companies to roll back so-called negative-option billing programs four years ago.

Canadians often assume that the United States sets higher standards for service. Yet last fall, the U.S. monthly magazine *SmartMoney* ran a feature on "Death of consumer service." A report in *The New York Times* last month also revealed that consumers are deserting theme restaurants like Planet Hollywood, in part because the quality of the food does not match the fancy prices. To be sure, we have brought much of this decline on ourselves—willingly choosing budget prices over service, from warehouse retailers to the Internet. But in a top-selling how-to book, *Delivering Knock Your Socks Off Service*, authors Ron Zemke and Kristin Anderson stress that quality and an informed salesforce are essential to customer loyalty. "Courtesy, good manners and civility are important. But courtesy is not a substitute for competence and skill." That is the challenge for people who have customers to serve. Including those who live in glass houses.

Robert Lewis

Newsroom Notes:

Resolving to lose weight



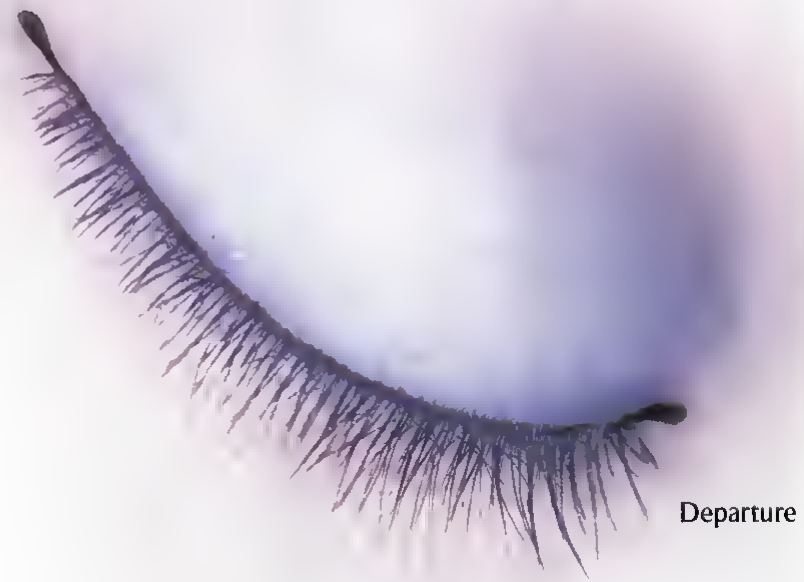
Wickens(left), Nichols: obsession

Often in their coverage of medical stories, *Maclean's* writers come across references to obesity as a contributing factor in many other problems. In this week's cover package, Section Editor Mark Nichols tackles the obesity epidemic head on. "Getting fat is a curse of our affluent era," he notes. "In past centuries, portliness was admired as a sign of success. Now that just about everybody can afford to eat enough to become overweight, what we admire is the lean and hungry look."

In her research for other articles in the cover package, Senior Writer Barbara Wickens was struck by how difficult many people find it to practise the only safe and effective approach to weight loss—eat less and exercise more. "An unhealthy obsession with what kinds and what amounts of food to eat often produces devastating results," observes Wickens. "Some supposed dieters get even fatter, others get anorexia." But the weight-loss literature is full of countless stories of people who decide to forget the whole thing and get on with life. "And that," says Wickens, "is when many finally lose some weight."

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Arrival



Departure

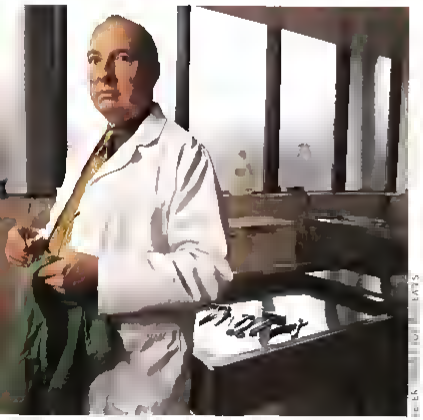
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The Mail



Butt: compassion and sensitivity after the crash

Paying tribute

I was very pleased that Dr. John Butt, the chief medical examiner for Nova Scotia, was included in your 1998 Honour Roll (Cover, Dec. 21). I am from Nova Scotia, near Peggys Cove, and I must say that he and his team did an outstanding job after the crash of Swissair Flight 111, considering the situation. This was a very hard time for everyone, and because of his sensitivity Dr. Butt took a very difficult task and dealt with it in a very compassionate way. If the Honour Roll could be endless, it could also pay tribute to all of the countless volunteers, the RCMP, the military and the fishermen who worked incredibly hard during a very difficult time.

Lyne Brun-Tobin,
Lower Sackville, N.S.

Congratulations are in order not only for the 12 accomplished Canadians on your 1998 Honour Roll, but also to the team who had the foresight to recognize volunteerism as a deserving segment of our society, too often overlooked. I am sure you have inspired thousands of Canadians. Françoise Girard most certainly deserved the honour. As our neighbour in a military community in Halifax 23 years ago, it was readily apparent then that she is a very special, caring person.

Reg and Velma Daws,
Chilliwack, B.C.

Eating humble pie

As a transplanted Canadian, I delighted at Finance Minister Paul Martin's active—and correct—opposition to the major bank mergers ("Bitterness on Bay Street," Business, Dec. 28/Jan. 4). The point is obvious. Canada's banks have enjoyed an uncompetitive free ride for longer than most of us have been alive. That they are out of touch with their present markets has been a snickering point for a very long time. look at the rise and power of credit unions or caisses populaires in Quebec, the West and the Maritimes. Where, then, are the world bankers among these four institutions? Before world-class banking, there needs to be world-class skills among Canada's bankers. Working on that agenda, the banks can come back much less arrogantly and ever so humbly in, say, five to seven years.

Patrick L. Bishop,
Philadelphia

As a bank employee and a shareholder, I can see the only way to ensure continued profitability in view of increasing competition is for the banks to review the feasibility of continuing their retail operations as they have in the past. One of the few ways to preserve our jobs was for the merger to proceed. To those who lobbied against the merger, I can only say "Please stop being so good to me!"

Lonnie Benson,
Saskatoon

NATO and nukes

Strategic nuclear deterrence is a complex subject. Unfortunately, much of the current debate on Canada's position on a no-first-use policy for NATO has been simplistic and emotional. Andrew Phillips's article "Tussling over nukes" (Dec. 21) adds a refreshing element of common sense that has been missing from the debate thus far. Poking a finger in Uncle Sam's eye may provide a warm feeling for some Canadians, but it will damage our relations with the United States and there will be a loss of goodwill. It seems to me that there are more effective ways to satisfy the Canadian urge to make the world safer than to continue to kick our good neighbour (and defender) in the shins.

Glenn Brown
Kingston, Ont.

Hockey fights

I felt your articles were a little drastic and obviously showed that you have never played hockey ("Thugs on ice," Cover, Nov. 9). If you have, it's not the same hockey that I've played for 13 years. When emotions are running high in a body-contact sport, there are bound to be fights and skirmishes. Fights are what generate energy for the players and fans. Fans don't pay their money to see a bunch of Europeans using the neutral-zone trap with the goaltenders seeing 10 shots in a game that ends in a 2-1 score. And by the way, Don Cherry knows what he is talking about when it comes to hockey.

Clint Keller,
Eston Composite School,
Eston, Sask.

Military harassment

While I have nothing but sympathy for anyone who suffers sexual harassment or abuse of authority while serving in our Canadian Forces, I am appalled by *Maclean's* decision to sensationalize the issue by devoting no less than four cover stories to it last year ("Of rape and justice," Cover, Dec. 14). I do not deny that there are some problems with both harassment and the grievance system, but your choice to emphasize this while practically ignoring all the good efforts and hard work of our troops is a kick in the teeth to those dedicated personnel who are striving to do their best while faced with constant cutbacks and severe shortages of staff and equipment. As for the enormity of the problem, I must have led a charmed life for the 20 years I spent in uniform. The rare problems of this sort that I saw were dealt with promptly and satisfactorily. I did manage to enjoy a successful and gratifying career, as have thousands of other women. I guess these stories just don't sell magazines.

Sgt. Michèle Ashby (ret.),
Rankin Inlet, N.W.T.

I finally had the opportunity to read your much-talked-about issues that dealt with sexual assault and the Canadian Forces. I found them upsetting but quite accurate. I, too, was assaulted, one year ago while serving in Bosnia. I brought charges against my assailant, and he was recently found guilty and sentenced to eight months in military prison. I would like to say that the Forces are doing their part in trying to eradicate this problem and the newly formed National Investigation Service is considerably effective with the reports that it does receive. Unfortunately, I feel that change will be slow to come due to the nature of the military. It is a lifestyle in which alcoholism and promiscuity play a major role. It won't change until those outside the circle of power start respecting others and see their own behaviour for what it is. I know that my case is just one of many, but I fear that there are other victims who have not spoken out yet. My one big wish is for these people to have the courage to do so. That is the only way to put an end to all this violence.

Janice Victor,
Red Deer, Alta.

In the *Maclean's* Honour Roll (Cover, Dec. 21) regarding Dee Brasseur, the statement "In 1979, when the Canadian Forces agreed to accept female pilots . . . " is misleading inasmuch as this action was the direct result of the 1978 Human Rights Act, which stated there could be no discrimination on the basis of sex. In 1979, the Forces initiated a series of trials known as SWINTER (Servicewomen in Non-traditional Environments and Roles). With the passing of the Charter of Rights and Freedoms in 1982 and the Human Rights Tribunal decision in 1989, the Canadian Forces were directed to stop the trials and to open all military jobs to women within 10 years. Therefore, under Canadian law, all jobs (except on submarines) are open to women if they can meet the standards of the job. It should be understood that all major changes within the armed forces come from legislative change in society.

Lt.-Col. Shirley M. Robinson (ret.),
Former deputy director of women personnel,
Canadian Forces,
Gloucester, Ont.

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Submissions may appear in *Maclean's* electronic sites.

The Road Ahead

Corporations as good citizens

It's tough these days, what with family obligations, demanding jobs—if we're lucky enough to have one—and the challenges of everyday living. With all that to keep us busy, meeting our responsibilities as ethical consumers, investors and citizens can be overwhelming, if not impossible.

Given local concerns about homelessness, unemployment and poverty, and global issues like climate change, child labour and international human rights, how can the average consumer or investor distinguish between good companies who are leading the way in environmental performance and ethical responsibility, and the poor performers, who are acting irresponsibly or operating entirely outside the law?

What is the truth about Nike's labour practices in developing countries? Is its suppliers really giving their employees decent working conditions and honouring their human rights? And what about Shell Oil's alleged involvement in the repression of the Ogoni people in Nigeria?

Both Shell and Nike have gained international notoriety because of the controversy over their track records on social performance. But what's even more interesting is how those two companies responded to the flood of international criticism and bad press. Both companies recently released reports by independent consultants, hired to provide objective and independent reviews of their operational commitments to social standards and ethical responsibility.

But for a cynical public, those responses may have been too little, too late. To be credible, a company is far better served by conducting and releasing independent reviews of its social and environmental performance more frequently, before a public scandal has broken, before environmentalists, labour advocates and citizens groups challenge the company's performance on the public stage.

Does that sound idealistic? In fact, in their efforts to enhance corporate accountability and responsibility, a number of benchmark companies are experimenting with a new approach to corporate reporting: the social audit. Companies such as The Body Shop, Ben & Jerry's, Royal Dutch/Shell, The Co-operative Bank (Britain) and Toronto's Metro Credit Union are having independently verified reviews conducted by trained "social auditors" who review corporate claims of environmental and social responsibility.

Much like a financial audit, which public companies are required by law to produce every year, social audits can give investors and consumers independent verification of a company's claims of social responsibility. Consumers should not just accept companies' claims of social and environmental responsibility. They should ask to see their social audits.

As this form of corporate disclosure gains momentum, it will be much easier to distinguish between companies dedicated to improving their social and environmental impact and those that are only paying lip service to these ideals, or worse, violating our public values and our public trust. Social audits provide the information we need to align our values as parents, workers and citizens with our actions in the marketplace.

***The Road Ahead* invites readers to advance specific solutions to Canada's political, social and economic problems. Unpublished submissions may run condensed as regular letters or appear on an electronic bulletin board.**

Coro Strandberg,
Board chairman,
Vancity Savings Credit Union,
Vancouver

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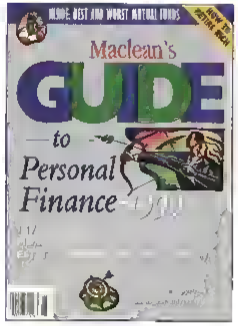
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Editorial Update



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Just in time for RRSP season Maclean's has published its first **Guide to Personal Finance 1999** a new publication that's loaded with useful information and expert advice Edited by Ross Laver one of the magazine's foremost business experts, this new guide provides essential, reliable information on topics ranging from mutual funds to education savings plans, from finding the best mortgage to retirement and estate planning Get the most from your hard-earned dollars with **The Maclean's Guide to Personal Finance 1999** on sale for $6 95 at bookstores and newsstands everywhere Attention Maclean's subscribers a subscriber reward coupon is included in each guide

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Anthony Wilson-Smith

Chrétien's case of statesmanitis

To measure how long a Canadian prime minister has spent in office, consider the way they entertain at 24 Sussex Drive. The usual equation: the more time a leader has served, the more they talk about their relationships with international peers. Brian Mulroney used to start visitors off with a ground-floor tour of the house that featured pictures of himself with Margaret Thatcher, Ronald Reagan and Nelson Mandela. At the same time, Mulroney would dispense anecdotes about fishing with George Bush, and denigrate the international efforts of Pierre Trudeau. Jean Chrétien, in turn, has criticized Mulroney's closeness with his American counterparts and swore before he became prime minister that he would never fish with Bush. He kept his word: instead, he golfs with Bill Clinton. Similarly, Chrétien's living room features photographs of himself with Clinton and Fidel Castro, and he recently regaled visitors with tales of his conversations with France's prime minister, Lionel Jospin, who visited last month, and Canada's big-brother role with Latin American countries.

Call it *statesmanitis*—a wish to transcend the status of mere politician that is usually achieved in either of two ways. "A statesman," Harry Truman said, "is a politician who's been dead 10 or 15 years." Britain's late prime minister Harold Macmillan—who has presumably now achieved that status—once offered a more encouraging definition. "When you're abroad," he said, "you're a statesman. When you're at home, you're just a politician." Small wonder that leaders prefer to dwell on their time abroad. After a while, domestic issues became so familiar and, well, boring. With other international leaders, they form close bonds because they can take turns discoursing, unchallenged, about their achievements, and commiserate about the difficulties of life at the top.

Achieving a proper comfort level on the international stage is a good thing—and Trudeau, Mulroney and Chrétien have done Canada proud in that regard, despite vastly different styles. But the challenge for a prime minister after more than one term in office is to remember the buzz-phrase of the moment: think globally, but act locally. In their first term, politicians usually either implement or conceive their most important ideas. In Trudeau's case, it was the Official Languages Act, establishing French and English as equal at the federal level. (The other key part of his legacy, the patriation of the Canadian Constitution and establishment of the Charter of Rights and Freedoms in 1982, grew from a lifelong interest in the topic, and occurred as a result of the unique opportunity offered by the 1980 Quebec referendum result.) In Mulroney's case, he negotiated the Meech Lake constitutional agreement in 1987 and laid the groundwork for a free trade agreement with the United States, which became the centrepiece of the 1988 election. But by their final days in office, both men appeared bored with domestic affairs and spent their time roaming the world—Trudeau with his quixotic North-South initiative of 1983, and Mulroney with his farewell tour of Europe a decade later.

Chrétien's situation is different. Unlike Trudeau or Mulroney, he came to office with no grand plan to reshape the nation's political structure; instead, he has renovated and repaired the existing one. If Chrétien left office tomorrow, he would have two big achievements to boast of: he is the first Liberal prime minister since Louis Saint Laurent to win back-to-back majorities, and he has presided over the elimination of an annual deficit that had reached $42 billion by the time he came to office. But for the most part, he would rather react to events than initiate them.

> The more time leaders have served, the longer they spend talking about their relationships with their global peers

Chrétien's office is unique in another way: as he enters his sixth year as prime minister, his inner circle of key advisers is almost intact from the group which ascended into the Langevin Block in 1993. That includes chief of staff Jean Pelletier, policy advisers Eddie Goldenberg and Chaviva Hosek, communications director Peter Donolo (who will likely leave later this year) and press secretary Patrick Parisot. In a business characterized by killing work hours and high turnover, their staying power is remarkable. Starting with the Prime Minister, they are all highly experienced and work well in close quarters. But none bring fresh ideas to the mix, since they have all lived the same experiences.

One danger of politics is that after a while, every issue and incident becomes infused with déjà vu. Chrétien, first elected to the House of Commons 36 years ago, can argue that there isn't much in the way of threats of economic recession, sovereigntist posturing and federal-provincial bickering that he hasn't lived through before. But that experience can be deceiving. The consequences of economic collapse in Russia and Asia in a globally connected economy are far more severe for Canada than they would have been 20 years ago. Even domestic experience can be a false teacher: the circumstances going into the 1995 referendum seemed similar to those of 1980—but the result and the lessons to be learned were far different.

Chrétien, who turns 65 next week, is at a point where most people wind down and reflect that their biggest achievements are behind them. After five years in office, he is at a similar stage for a political leader. But as Mulroney discovered to his chagrin, leaders are remembered by how they appear at the end of their tenure—not by previous popularity. As he simultaneously approaches the dawn of a new century and the twilight of his own years, Chrétien's challenge is to focus on looking ahead, rather than behind—or abroad.

Opening NOTES

Edited by TANYA DAVIES

Hitting a sour note



Domingo (left), Carreras, Pavarotti, James Levine tax investigation

The Three Tenors may be singing in court—if they follow the fate of their former promoter Luciano Pavarotti, José Carreras and Placido Domingo—who joined forces in 1990, performing to sold-out audiences and recording several best-selling CDs—are being investigated by a German court for possible complicity in tax fraud.

Matthias Hoffman, a German concert promoter who organized the tenors' tours, was sentenced in Mannheim, Germany, last month to five years and eight months in prison for tax evasion. The court found him guilty of not paying nearly $15.5 million in taxes. Hoffman, 47, would pay the singers $2.3 million each for a performance. Prosecutors said he illegally split the payment into $800,000 in salary and $1.5 million in licensing income, and didn't deduct German taxes from the salary. The licensing income was paid into a company in Ireland that apparently was controlled by Carreras, Domingo and Pavarotti, which is why the court expanded the investigation to include them. The tenors were not commenting on the case.

Canadians added some coins to the kitty in 1996 when the Three Tenors performed in Vancouver and Toronto. While fans were delighted to see the trio, they complained about exorbitant ticket prices, which went as high as $2,000.

CAPITAL CONFIDENTIAL

Ottawa's lobbying law is supposed to illuminate the often murky world of who wields influence around Parliament Hill. But when it comes to revealing which corporations are looking to get millions of dollars from Technology Partnerships Canada—a $250-million-a-year federal subsidy fund, largely for aerospace research and development—the system is allowing some companies to stay in the shadows.

The Lobbyists Registration Act demands full disclosure from anyone who is paid by a company to try to influence policy or "the awarding of any grant, contribution or other financial benefit" from the government. The registry, a list of who lobbies for whom and on which subjects, is open to the public. Dozens of corporations dutifully list TPC as a target of their lobbying activities. Yet of the 15 companies awarded more than $1 million from TPC in 1998, just seven were registered. Among the eight that did not register, but still managed to secure seven-figure TPC investments, were the Canadian branches of some global aerospace heavyweights—including U.S. giant Raytheon's subsidiary in Waterloo, Ont., which got $3.3 million, and the Montreal operations of Europe's Sextant Avionique, awarded $9.9 million.

Federal authorities are hesitant to clamp down on firms that fail to register because of some lax wording in the regulations. The law states that full-time employees of companies must register if lobbying amounts to "a significant part" of their job. But while TPC officials insist that negotiating to get money from them is in fact very time-consuming, some firms contend the process does not demand "a significant part" of any single employee's time. If that sounds like a loophole, it is one that likely will not be closed in 1999, the law next comes up for review by a parliamentary committee in the year 2000.

EMPORIUM

According to the National Library of Canada, the first 10 public libraries to open in North America:

1. Quebec City Library, Que. (1779)
2. Montreal Public Library, Que. (1796)
3. Niagara Library, Ont. (1800)
4. Halifax Library, N.S. (1806)
5. Saint Andrews Social Library, N.B. (1815)
6. Fredericton Social Library, N.B. (1816)
7. Newport Library, N.S. (1820)
8. Halifax Public Library, N.S. (1824)
9. Peterboro Public Library, N.H. (1833)
10. New Orleans Public Library, La. (1843)

GOLDFARB POLL

When Canadians were asked how they are improving or maintaining their health, a slim majority said they are watching what they eat. Even fewer people are exercising, and a smaller number of drinkers and smokers are cutting back. By percentage of 1,400 adults.

Pay attention to daily diet	52
Exercise regularly	44
Drink fewer alcoholic beverages	20
Smoke less/stopped smoking	18

DATA COLLECTED FEBRUARY 1998 — Goldfarb Consultants Limited

DOUBLE TAKE

Grace McCarthy





McCarthy now; end in 1981; a veteran

When the media dubbed British Columbia's veteran Social Credit MLA Grace McCarthy the Iron Lady—borrowing the nickname of conservative British prime minister Margaret Thatcher—McCarthy, a self-promoter, took it as a compliment. That reinforced some voters' perception of her as a heartless right-winger, while leading others to view her as the ultimate populist. McCarthy, a native of Vancouver, had first been elected to provincial politics in 1966, where as a woman, she was given limited responsibilities. But her political strengths became evident in 1972, after her party lost the election. During the next three years, as party president, she crisscrossed the province and increased party membership to 70,000 from 5,000. "I was part of history," says McCarthy, now 71, "bringing back a party that was written off." She went on to hold six cabinet posts, including deputy premier. After the retirement of premier William Vander Zalm, she joined the party leadership race, but lost to Rita Johnston.

She retired in 1991. But not for long. Two years later, she was back, winning the leadership of the downtrodden Socreds. However, she resigned again in 1994. So McCarthy is enjoying her second retirement. She lives in Vancouver with her husband, Raymond, who owns a real estate development company. The mother of two children and grandmother of three, she co-founded the C.H.I.L.D. Foundation (for children with intestinal and liver disorders) in 1995, after her granddaughter was diagnosed with Crohn's. "My political experience helps," she says, "particularly in fund-raising." Who could say no to the Iron Lady?

LUKE FISHER

POP MOVIES

Saving a small town



Based on a true story, *A Civil Action* is a thriller starring John Travolta as a personal-injury lawyer whose fierce determination entangles him in a case that threatens to destroy him. He mounts a lawsuit on behalf of eight families who claim that two corporations contaminated their town's drinking water with chemicals, leading to the leukemia deaths of their children.

Top movies in Canada, ranked according to box-office receipts during the seven days that ended on Dec. 31 (In brackets, numbers of screens/weeks showing.)

1	Stepmom *(144/1)*	$1,234,020
2	Patch Adams *(164/1)*	$1,198,590
3	You've Got Mail *(185/2)*	$980,040
4	A Bug's Life *(145/5)*	$748,250
5	The Prince of Egypt *(173/2)*	$627,240
6	Star Trek: Insurrection *(176/3)*	$619,420
7	Mighty Joe Young *(148/1)*	$545,510
8	The Faculty *(139/1)*	$534,550
9	Enemy of the State *(84/6)*	$468,210
10	Shakespeare in Love *(26/2)*	$237,220

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BEST-SELLERS

FICTION

1. **The Love of a Good Woman,** *Alice Munro (1)*
2. **Amsterdam,** *Ian McEwan (6)*
3. **Blindness,** *José Saramago (7)*
4. **A Man in Full,** *Tom Wolfe (3)*
5. **Home from the Vinyl Cafe,** *Stuart McLean (2)*
6. **A Recipe for Bees** *Gail Anderson-Dargatz (4)*
7. **The White Bone,** *Barbara Gowdy (5)*
8. **The Colony of Unrequited Dreams,** *Wayne Johnston (8)*
9. **The Breaker,** *Annette Walters (9)*
10. **Forms of Devotion,** *Diane Schoemperlen (10)*

NONFICTION

1. **Titans** *Peter C. Newman (1)*
2. **The Ice Storm,** *Mark Abley (2)*
3. **The Professor and the Madman,** *Simon Winchester (3)*
4. **The Crisis of Global Capitalism,** *George Soros*
5. **The Eatons,** *Rod McQueen (7)*
6. **The Century** *Peter Jennings (4)*
7. **Isaiah Berlin,** *Michael Ignatieff (10)*
8. **Blue Trust,** *Steve Cameron (6)*
9. **Lisee on the Water,** *David Adams Richards (9)*
10. **The Partners,** *Farley Mowat (5)*

() Position last week

Compiled by Brian Bethune

A leader's life, in his own words

A special volume commissioned by his family, *The Autobiography of Martin Luther King, Jr.* (H. B. Fenn and Company) is a collection of the leader's writings and speeches, edited by American civil rights activist and author Clayborne Carson. Much of the material has never been made public before.



Passages

AWARDED: The Canadian Press athlete of the year awards to **Catriona Le May Doan**, 28, and **Larry Walker**, 32. Speed skater Le May Doan was honoured with the Bobbie Rosenfeld Award for winning a gold and bronze medal at the 1998 Nagano Olympics. Walker, a Colorado Rockies outfielder, was awarded the Lionel Conacher prize for leading the National League in batting with a .366 average while hitting 23 homers and driving in 67 runs. Both athletes were on the 1998 *Maclean's* Honour Roll.



FINED: **Paul Beeston**, 53, president of major-league baseball, for not disclosing to head office a 1996 side deal he made with Blue Jays pitcher **Roger Clemens** when he was president of the team, by league commissioner **Bud Selig**, in New York City.

DIED: Athlete and parliamentarian **C. J. Sylvanus (Syl) Apps**, 83, in Kingston, Ont. Apps was a star of the Toronto Maple Leafs from 1936 to 1948, and was the first NHL rookie to win the Calder Trophy. As a Conservative, he represented the riding of Kingston in the Ontario legislature from 1963 until 1974.

DIED: Former leader of the Front de libération du Québec **Pierre Vallières**, 60, of a heart attack, in Montreal. Imprisoned for a 1966 Montreal bombing, Vallières wrote a manifesto that became a rallying cry for the fledgling separatist movement. He later renounced violence.

DIED: **David MacLeod**, 54, Hollywood producer, convicted pedophile and first cousin to stars **Warren Beatty** and **Shirley MacLaine**, of a suspected drug overdose, in Montreal. The son of **Alex MacLeod**, a Communist member of the Ontario legislature in the late-1940s, David was part of former Ontario premier **Bill Davis**'s 1971 election team. An associate producer of *Reds* (1981) and *Ishtar* (1987), MacLeod was wanted by the FBI for prostitution cases involving teenage boys.

DIED: Renowned fiddler **Eleanor Townsend**, 54, the only woman ever to win the North American fiddle championship, with her five-year-old granddaughter in a house fire in Barrie, Ont.

AVALANCHE

A snow slide kills nine at a New Year's party in Quebec







Devastation at Satuumavik school; an injured survivor in Montreal (opposite); the school before the tragedy (inset); screaming

It was just past 1.30 a.m. on New Year's Day, and most of the residents of the isolated northern Quebec community of Kangiqsualujjuaq were celebrating in a school gym. People exchanged hugs and warm wishes as they listened to the draw for a $1,000 door prize. Then disaster struck. An avalanche of snow three metres high hurtled down a steep hill behind the school and smashed into the building, tearing out a wall and burying many people inside. "It was like an explosion," said principal Jean Leduc. "You heard an immense crack and the wall was flying into pieces and, the next thing you knew, the gym was entirely covered in snow."

The avalanche suddenly exposed the 400 to 500 children and adults in the gym to the hostile weather outside—100 km/h winds and a temperature of -20°C. Survivors who were not trapped by snow or parts of the crushed building grabbed shovels, frying pans, anything they could use to dig, and turned frantically to the rescue of family members and neighbours. Many just attacked the snow with bare hands. "Everybody was screaming," said school director Mary Baron, who had been sitting with her three-year-old son, Matthew. "I wasn't buried completely and right away went to dig out my son."

Baron was successful. But the rescuers soon found six bodies, then another three over the next hours, buried under deep piles of snow. Of the nine dead, five were children under the age of 8. Another 25 people were injured, 12 of them seriously enough to have to be airlifted 1,500 km to Montreal for treatment. Baron said several people around her were also half-buried. One by one they struggled free of the snow, then helped the others trapped around them. "Everyone is involved [in the rescue]," said Luc Harvey, chief of the Kativik regional police. "They are a self-reliant community. They are well-organized because they are an isolated town in the Far North."

Still, the tragedy left the village of 650 devastated. Through the night, people could be heard screaming and crying inside their houses. As dawn broke, the scope of the devastation became apparent. The remains of Satuumavik school lie just 300 m away from the base of the steep, 150-m hill that produced the disaster. Trucks and snowmobiles were tossed into the building as the avalanche ripped the gymnasium apart. Children's Christmas drawings were scattered in the snow.

Kangiqsualujjuaq, formerly known as George River, is on Ungava Bay at the mouth of the George River. A 25-bed hospital, the Ungava Tulattavik health centre in Kuujjuaq, 300 km to the west, handled the relatively minor injuries, while the other victims were flown by air ambulance to the Montreal General Hospital and Montreal Children's Hospital. Because of bad weather, doctors and nurses from the Tulattavik centre could not reach the scene until nine hours after the disaster, but they found the community coping well. "The people were just incredible," said Minnie Grey, executive director of the health centre. "They were devastated, but they were helping and supporting each other." Ten of the injured are children, she said, including a six-month-old baby who remained in Kangiqsualujjuaq. "One of the injured has respiratory problems and the rest have broken bones," Grey said.

Many residents recalled earlier snow slides around the village, but none that caused any damage or injuries. "Some parents have been concerned about children playing near the mountain," said Lorne Whiteley, who works at the Kativik school board maintenance department in Kuujjuaq. When the school was built in 1985, there were complaints that it was in the path of an avalanche that crashed down the same hill some years earlier. "We absolutely must pull out of there," said Leduc as he reviewed the tragedy.

Survivors of the latest snow slide speculated that it may have been triggered by lively dancing at the party, or by a New Year's gun salute fired roughly 90 minutes before the snow crashed down. Psychologists and psychiatrists were being sent to the village to help people cope with the disaster. And a Montreal spokesman for the provincial police, the Sûreté du Québec, said three investigators, three coroners and an avalanche expert were heading for Kangiqsualujjuaq to join others in trying to determine how the New Year's Day tragedy could have happened.

BRENDA BRANSWELL *in Montreal*

The view from Sussex Drive

Jean Chrétien discusses his role in APEC, the future of the monarchy—and Brian Mulroney



PETER BREGG/MACLEAN'S

THIRTY-SIX YEARS OF national politics have made Jean Chrétien's creviced features seem an almost-permanent fixture of Canadian politics, and it is no small feat that he has made his familiarity an asset in an age when politicians are generally endured rather than admired. Chrétien prefers to "be underestimated and overachieve the expectation," as he put it during a 90-minute interview with *Maclean's* at the Prime Minister's residence in Ottawa on Dec. 22. As the midday sun streamed into the living room overlooking the Ottawa River, the Prime Minister took questions from *Maclean's* Editor-in-Chief Robert Lewis, National Affairs Columnist Anthony Wilson-Smith and Ottawa Editor Bruce Wallace. The discussion ranged over the monarchy, the APEC pepper spray incident, Quebec, federal-provincial relations, the economy and potential rivals vying for the leadership of his party. Excerpts:

Maclean's: *Thank you very much for inviting us to your home again. Do you plan to stay a while?*

Chrétien: Yes, it's a nice place. It's a good subsidized housing unit, so why not?

Maclean's: *There certainly seemed to be more controversies this past year. Do you find the job is getting easier or more difficult?*

Chrétien: It's not easy; it's not more difficult than I expected. Experience helps. I make jokes about it sometimes, but it's true. There are really not many problems that appear on my table that I've not seen a dozen times.

Maclean's: *Do you find with the global economy being what it is that your power has been reduced?*

Chrétien: No. But we came from a period where we were financing the government with borrowed money. And that had to end.

Maclean's: *But how did you feel last summer when the dollar kept falling, and the advice seemed to be 'there's not much we can do, just sit back and take it'?*

Chrétien: But it is a reality. You cannot isolate yourself even if you wanted to. You see the debate going on at this moment in Great Britain, for example. They are part of the European Union and they don't know if they will join the euro [common European currency]. Do you know that the minister of finance of France will have less autonomy with his budget than the premier of Quebec or Ontario or Alberta? The premiers have more freedom in taxation than there will be [in Europe]. The flexibility in taxation in Canada varies very much from one province to another. Compare Alberta to Newfoundland. It is very different. Apparently in Europe, there will not be much difference between one country and another.

Maclean's: *Prime Minister, do we still need a monarch?*

Chrétien: It's not on the agenda of government for two reasons: you need the consent of the 10 provincial governments, and you have to amend the Constitution with unanimity in Canada. And you know how easy that is. So how can you achieve it?

Maclean's: *But do you favour the idea of having a debate about it at least?*

Chrétien: I don't want to debate it personally. I have enough problems with the separatists in Quebec and I don't want to have problems with the monarchists in Ontario. But it is a legitimate debate.

Maclean's: *You don't have a personal feeling about it, in your heart?*

Chrétien: It is an institution. You know I'm careful about institutions. It's not part of my family history—Quebecers are not enthusiastic about the monarchy. But on the other hand, it is important for others. In a diversified society like ours, you have to respect the desire of others even if you would like to change it.

For me it is not a priority. But if it is moving, as it is possible in Australia, I think that probably New Zealand will follow and that will become a debate of actuality at that time in Canada. But it's not on the cabinet table today. Not tomorrow either.

Maclean's: *With what's happening to President Clinton in the United States, what do you think about the attention that the public now pays to the private lives of politicians? Is it right to do this or is it a private matter?*

Chrétien: It's a private matter. The poll your magazine had on that [showed] people think that the private lives of people have to be respected, especially in the kind of society we have. I'm happily married, for a long time. But today people divorce or they don't get married and we have [other kinds of] couples that exist in our society. And we're not asking questions.

Maclean's: *If you knew that a member of your cabinet was being unfaithful, would that cause you to remove them or speak to them about it?*

Chrétien: That's not my business. Some are divorced. Some are remarried. I don't ask these questions. I look at the competence of the person. Private life does not concern me.

Maclean's: *It's not part of the process of screening?*

Chrétien: But then you go into an inquisition. And a lot of people have been extremely successful in life and have a terrible private life. And others have the perfect private life and were terribly unsuccessful in public life. So it's two different things.

Maclean's: *How do you feel about what's happening to President Clinton? When you came to office you said it wasn't a good idea for a prime minister to be friends with an American president, but you and he have actually become close.*

Chrétien: Yes, we are friends and I would like him to be able to devote all his time to his job. He's a good president. We have good relations with the United States. I have good relations with him, on a personal, professional basis.

Maclean's: *There's a rumour he beat you at golf. Is that true?*

Chrétien: This is a state secret.

Maclean's: *Are the problems in Washington going to hurt us?*

Chrétien: No. The economy of the United States is doing well and it's important for us because more than 80 per cent of our trade is with them. And on a political level, the level of hot files is not great compared to what it used to be.

Maclean's: *Are you developing a more aggressive stance with the United States, striking your own line a little more independently than the Mulroney government did?*

Chrétien: We did it since the beginning. I said I don't want to look like the 51st state of America, so I always had very businesslike relations with the administration. I don't think I've become a buddy of the president.

Maclean's: *But where have you drawn the line?*

Chrétien: I went to Cuba, for example. We pushed them very hard on land mines. The president [and I] had phone calls in the middle of the night on that. He wanted to sign [the land mines treaty]. He was all traumatized about his decision.

Maclean's: *Are you getting a lot of heat from Washington on the question of dropping*



JEFF VINNICK FOR MACLEAN'S

'This notion that I told the police what to do is a bit ludicrous'

NATO's first-strike nuclear policy?

Chrétien: Not yet but it is one policy where we have a difference. And you have to understand, the one good thing with this president is he loves a debate. He's a bit like Trudeau that way. That's a difference from other presidents I've met where they came and had their notes and read them. Clinton loves to debate. So when you have an issue like that, he does not get mad—it gives him a chance to debate. He will want to convince me that I'm wrong and I will want to convince him that he is wrong. We might end up not agreeing.

Maclean's: *Looking back, do you have any regrets, or would you do things a little differently, with the APEC situation?*

Chrétien: This notion that I told the police what to do is a bit ludicrous. I never talked to the solicitor-general or the head of the RCMP or anybody about that. I had other things to do.

Maclean's: *What about the memos that purport to quote you and your people?*

Chrétien: Yes, they [refer to] PM. Do you know who PM was? It was basic journalism to try to check. It was Phil Murray, who is the head of the [RCMP]. It's not great research work not to find that out. Security is not my job. They impose security on me. Even my own security I've nothing to do with. I tried to cut it down. They came back and they said: "It's not your business Prime Minister, we are protecting you." So since the incident up here [an intruder armed with a knife broke into 24 Sussex in 1995], I have more. It's their job. There were other incidents with the police elsewhere in the country. The police decide these things.

I'm not preoccupied [by the inquiry]. I'm offended when people say I tried to take away rights from Canadians. I'm the father of the charter of rights. I gave a lot of rights to natives and so on. But I hope that the commissioner will look into all that and find out. I'm not nervous. And I think there will be other incidents like that. There is provision in Canada for demonstrations anywhere I go. And I organized some good ones when I was a student.

Maclean's: *Prime Minister, you don't seem to be the best of friends with Mr. Mulroney these days.*

Chrétien: I don't see him.

Maclean's: *And he's had a lot of not very nice things to say about you.*

Chrétien: Well, I don't say anything against him.

Maclean's: *Is there bad blood between the two of you on a personal level?*

Chrétien: I don't know. I don't see him. I know I don't talk to him.

Maclean's: *He says you tried to call him after the Airbus affair and he would not take your telephone call, for example.*

Chrétien: I don't remember that I tried to call him.

Maclean's: *How would you describe the nature of your feelings towards Mr. Mulroney?*

Chrétien: He's been a prime minister of Canada and he's done his best. And now there's a new prime minister of Canada. We did not agree politically, but my path is not crossing his and I never refer to him. I don't refer to any of my predecessors. Pearson, yes. We had a celebration for Pearson and I was very happy to make a statement.

Maclean's: *But how do you feel when Mr. Mulroney argues you've simply implemented his agenda, and taken credit for it?*

Chrétien: It's a political point he's trying to make. I know the reality is when he left he had a $42-billion deficit, increasing every year. And I know that we took it from 42 to zero. But if it is his agenda, fine. Look at the results. And that's it.

Maclean's: *We see an awful lot of young people leaving this country, the so-called brain drain. A lot of professional people are leaving.*

Chrétien: It's not new. I've heard this argument since I entered politics. There are always people who want to think that the grass is greener elsewhere.

Maclean's: *What you do hear is that the high tax level is a factor.*

Chrétien: Yes, but the margin is not that big. And what about payroll taxes—they are much higher in the United States than in Canada. And the quality of life, the crime level. So you choose to live where you want to live. Look at hockey players. Most would prefer to play in Montreal but the money is bigger in the United States. That's life. They have a bigger TV market. It's the same thing for the Swedes and the Czechs.

Maclean's: *But shouldn't we be trying to do something about this? We're losing doctors, we're losing engineers, we're losing hockey players.*

Chrétien: Yes but I'm asking you: is it new? Some people are coming from Great Britain to live in Canada to have a life here. Is it a testimony against the government of Britain? Some people, for all sorts of reasons, prefer to go elsewhere. [Our] quality of life is very good and I don't think that people stay in Canada just for money.

Maclean's: *Do you see people organizing to replace you at all?*

Chrétien: I don't know. It's for you to give me that information if you see it.

Maclean's: *We do see it, occasionally. But a little less so lately.*

Chrétien: Fine. But they might be wasting their time. You know it's normal that people want to succeed me in the party. I would be extremely disappointed if there was nobody that had neither the talent or the desire to take over. As long as they respect my authority—and they do, all of them. I know many ministers who would like to take over from me eventually. There were a lot of people who got impatient—like John Turner, perhaps Donald Macdonald—because Mr. Trudeau stayed too long. But Mr. Trudeau was winning. So we kept Mr. Trudeau for 16 years.

Maclean's: *But you have no date in your head for yourself, no target then?*

Chrétien: Well some mornings I do, and the morning after I don't have it anymore. It depends on the day. □



JEFF VINNICK FOR MACLEAN'S

Georgetti: the '19th minister' in Glen Clark's NDP cabinet

A national player?

B.C.'s savvy labour leader eyes Bob White's job

BY JENNIFER HUNTER

Ken Georgetti bounds over to his desk, slides open a drawer and retrieves a clear plastic bag full of photographs. "Here," he says, offering a snapshot to his guest. It is a picture from the mid-1990s showing Georgetti, president of the B.C. Federation of Labour, beside Glen Clark, then-minister of employment and investment and now premier of British Columbia. Both men have the same haircut: black locks cropped short, sideburns cleanly shaved. Both have chipped dark moustaches and intense chocolate-brown eyes. Both are buttoned up in sober navy suits and white shirts. Georgetti is a shade taller than Clark, but the resemblance between the two men is remarkable—they could be twins. "Separated at birth," the now-bearded Georgetti says, with a big guffaw.

The image is also a metaphor for the symbiotic relationship between organized labour and the New Democratic Party government in British Columbia: mutually supportive, closely aligned. The premier has joked that the 46-year-old Georgetti is the 19th minister in his cabinet. "He has a huge amount of influence with the government in Victoria," says Jerry Lampert, president of the Business Council of British Columbia. Along with Clark—himself a former union activist—Georgetti is one of the most powerful and recognized men in the province, heading an organization of 460,000 members. Now, after 12 years as front man for the B.C. labour movement, the savvy unionist is being touted as a successor to 63-year-old Bob White, president of the Ottawa-based Canadian Labour Congress, the umbrella group representing 2.3 million union members in national labour organizations. White announced his retirement in early December and Georgetti was immediately endorsed for the job by the influential Canadian Auto Workers. "If I can play a role nationally and the support is there," says Georgetti, "I would consider it."

Many, however, wonder why a man who wields so much authority on the local scene would want a job that has lost so much profile since the Liberals took office in 1993. The trend towards political and economic conservatism—reflected most recently in NDP Leader Alexa McDonough's effort to shift her party to the centre—has dampened public interest in the labour movement. White, the firebrand who forcefully led Canadian autoworkers out of the international union in 1984, almost vanished as a national figure when he became CLC chief in 1992. "Bob White found out too late that it's an almost impossible task," suggests White's former comrade Buzz Hargrove, national president of the CAW. "There is no desire on the part of government and business to listen to labour," John Richards, business professor at Simon Fraser University in Burnaby, B.C., concludes the CLC "is like the monarchy. It has a prominent platform, but there's no real power."

Hargrove, despite his union's support of Georgetti for the CLC job, is not completely optimistic the B.C. union leader can solve organized labour's many problems. "There are some real splits in the labour movement that can't just be papered over," Hargrove says. "Can Georgetti really pull people together? This will be a challenge." In Ontario, for example, the split between public- and private-sector unions became exacerbated during Bob Rae's NDP government in the early 1990s—particularly over the contentious Social Contract that rolled back public-sector wages. Some private-sector unions supported Rae's initiative, others, like the CAW, bitterly fought it. The divide has widened since the provincial Conservative government took on the public service and the teachers. "There is an ideological gap," Hargrove concedes. Fear of job loss, meanwhile, is pushing some unions in Canada to sign long-term agreements—an issue union militants are fighting vigorously, believing it erodes collective bargaining.

As well, the rate of unionization is slowly declining, dropping nationally to 34.1 per cent of the labour force from 37.1 per cent in 1978. Unions are reaching beyond their traditional constituencies to garner new members. The United Steelworkers of America, for example, now represent administrative staff at the University of Toronto. All of this means a tough slog for the new CLC president. But the job, says Noah Meltz, who teaches industrial relations at the University of Toronto, "still has allure. It is still the pinnacle of the labour movement."

Within organized labour, Georgetti is considered a moderate. He sits on the University of British Columbia board of governors and has lobbied national retailers to ban purchases of goods produced by Third World children. "Before he took over the federation it was run by stereotypical labour leaders who were by their very nature combative," says Mark Thompson, an industrial relations expert at UBC. "Georgetti is very much the new breed—articulate and intelligent." He is even respected by even his most pugnacious foes, like Phil Hochstein, executive vice-president of the Independent Contractors and Businesses Association, who has battled the growth of unionism in the construction industry. "He is not an ideologue like other people in the union movement," says Hochstein. "As a result, he


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Still, despite labour's enormous influence in British Columbia, job losses have lowered the rate of unionization, mirroring the national decline. And while favourable changes to the labour code were made after the NDP under Mike Harcourt took office in 1991—including a ban on replacement workers during strikes—unions do not always get what they want. There is still no sectoral bargaining—which imposes the same contract on companies operating within the same sphere—except in construction.

Through hard work, though, Georgetti has managed to more than double the B.C. Federation of Labour membership, bringing in professional groups such as health science workers. The federation now represents 82 per cent of unionized B.C. workers. Since he became president in 1986, he has also pushed the federation into new areas of activity, using pension plan funds to set up companies such as Greystone Properties—which builds condominiums with union labour—and the Working Opportunities Fund, a labour-backed venture-capital fund. "The understanding of business and economics we've gained by doing these things has been invaluable to us," says Georgetti, who follows the stock market closely.

Georgetti learned at a young age about the dynamics between business and labour. He grew up in the rough and tumble town of Trail in southeastern British Columbia and after high school he became an underground miner in Golden, B.C., eventually heading back to Trail to join Cominco. He became active in the town's United Steelworkers local, and was elected president in 1981. In 1984, he went to work for the provincial federation. His first test as rookie president in 1986 was fighting a new labour code instituted by the Social Credit government of premier William Vander Zalm that imposed restrictions on rights such as picketing. Georgetti led a successful one-day strike against the legislation, and was considered instrumental in electing the NDP in 1991.

Since then, there has been controversy about his relationship with the party. Critics say a four-year romance with provincial Finance Minister Joy MacPhail, which ended last year, underlined the NDP's coziness with labour. (The two met at the federation where MacPhail worked as Georgetti's executive assistant.) "We had enough respect for one another that it didn't enter into any aspect of our [official] dealings," a discomfited Georgetti told *Maclean's*. He can be prickly about questions like these, underscoring the observation of Harcourt that Georgetti has a mercurial temperament. "He can quickly go from being charming to being in a passionate Italian temper." But that passion may be just the catalyst to fire up the CLC and bring labour back into public prominence. □

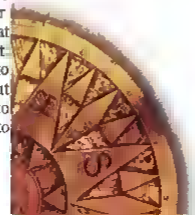


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Canada NOTES

BERNTSON GOES ON TRIAL

Senator Eric Berntson, the highest-ranking figure in Saskatchewan's biggest political scandal, pleaded not guilty in his trial. Now 57, the former deputy premier in Grant Devine's Tory government of the 1980s is accused of submitting $69,000 in false expense claims and diverting $125,000 in government funds to his party.

B.C. SHOOTING SPREE

A surge in gangland shootings in Vancouver claimed the life of notorious cocaine dealer Bindy Johal, killed by a single shot to the head in a crowded nightclub. Johal was best-known as one of six men charged with murder but acquitted in 1995 by a jury that included Gillian Guess. She was convicted in June of obstructing justice by having an affair during the trial with Peter Gill, one of Johal's co-accused.

DEATH OF A CHAMPION

A huge crowd turned out for the Winnipeg funeral of Allan Simpson, 59, a pioneering activist for the disabled. Simpson, whose childhood bout with polio left him in a wheelchair, organized the first Pan-Am Wheelchair Games in 1967.

TAXING THE MOVIES

A proposed new federal tax on movie and video distribution received a harsh reception from critics. Recommended by an advisory group to Heritage Minister Sheila Copps, the 3.5-per-cent levy would raise about $70 million a year for a production fund for Canadian films. Hollywood lobbyists, consumer groups and even the finance department, which is opposed to dedicated taxes, all denounced it.

THE APEC INQUIRY

RCMP Public Complaints Commission chairwoman Shirley Heafey named prominent B.C. lawyer Ted Hughes to head the reconstituted APEC inquiry, but said he has no mandate to discuss the role of the Prime Minister's Office in directing police actions during the 1997 summit in Vancouver.

NEWSPAPER FIRE

A fire of undetermined origin destroyed the presses and much of the building housing *The Record*, the 101-year-old English daily newspaper in Sherbrooke, Que. It was not clear when it would be able to resume publication.



GARY ELMHOCHOTTAWA CITIZEN

MYSTERY FLIGHT: An investigator gazes at a plane wreck at an airfield near Ottawa. A flying instructor discovered the crushed Cessna 210, stolen from an airport near Kingston, Ont., 75 km to the southwest, but a massive three-day search of the area failed to turn up a trace of its missing pilot. All solutions to the puzzle proposed so far—that the pilot walked away from the horrific crash, that he bailed out or landed safely and then managed to direct a plane without an autopilot to come down at the airport—have been rejected by observers. "It's baffled everybody who's looked at it," commented airfield manager Jack Tedford.

Redress for Duplessis's Orphans

The Quebec government announced it would soon try to settle the festering issue of the so-called Duplessis Orphans. They are an estimated 3,000 surviving children who were born to unmarried women during the late 1930s, '40s and '50s—the era when Maurice Duplessis was premier—and left in orphanages or psychiatric institutions run by religious orders. On the recommendation of the Quebec government—which saw the move as a means of obtaining federal funding for their care—many of the children were falsely labelled mentally incompetent. Hundreds have also claimed they were sexually and physically abused while in the institutions.

Premier Lucien Bouchard's press secretary, Christiane Miville-Deschênes, confirmed that Quebec would soon make a "governmental declaration" about the orphans, but refused to call it an apology. Nor were there any present plans, she added, to offer financial compensation. Pressure on the province to provide some kind of settlement package has been growing in recent years as Quebec courts have rejected class-action lawsuits filed by groups of surviving Duplessis Orphans. But in 1997, Quebec's ombudsman, Daniel Jacoby, recommended the province pay each orphan $1,000 for every year spent in an institution and $10,000 to $20,000 to those who suffered abuse.

Still number 1 at 79

Fifteen years after his retirement former Liberal prime minister Pierre Trudeau is the most trusted leader in Canada, according to a poll by Ekos Research Associates. Trudeau, 79, who was in office 15 years in two stints from 1968 to 1984, was very unpopular when he quit. But in the Ekos survey 42 per cent of respondents ranked Trudeau as highly trustworthy, compared to 40 per cent for the second-place finisher, current prime minister Jean Chrétien. The field of seven also included Finance Minister Paul Martin, Tory Leader Joe Clark, NDP Leader Alexa McDonough, Reform Leader Preston Manning—and, at the bottom, former Tory Prime Minister Brian Mulroney, trusted by only 12 per cent of respondents.

CLINTON FACES A TRIAL

The President will fight the charges to the bitter end



Clinton being sworn in by Rehnquist: the chief justice will oversee the President's trial in the Senate

William Rehnquist, part-time historian and full-time chief justice of the United States Supreme Court, knows a thing or two about impeachment. In fact, he wrote the book on the subject, a 1992 tome entitled *Grand Inquests* that has quickly become the most sought-after volume in Washington. In it, Rehnquist warned of the dangers of making it too easy for Congress to impeach a president, turning it into a "sword of Damocles—designed not to fall but to hang' over the man in the White House. And he cautioned that impeachment can quickly turn bitter, becoming "an apocalyptic confrontation between good and evil" when customary restraints must be cast off in order that evil may not triumph."

Rehnquist's assessment, reached in the far-off days when George and Barbara Bush were the dignified custodians of the White House, and written six years after he was named chief justice, is suddenly cutting-edge relevant in the tawdry age of Bill Clinton. The House of Representatives' narrow vote to impeach Clinton six days before Christmas did feel apocalyptic—with Republicans and Democrats alike warning darkly of the danger to the Republic if the other side won. And Rehnquist's interest in impeachment has gone from the academic to the intensely practical. Late this week—most likely shortly before 1 p.m. on Thursday—the chief justice will travel the few hundred metres from the Supreme Court building to the Senate chamber on Capitol Hill and be sworn in as the presiding officer in the impeachment trial that will pass ultimate judgment on Clinton. Not in almost 131 years—since the Senate trial of President Andrew Johnson that Rehnquist analyzed in *Grand Inquests*—has Washington seen the like.



ANDREW PHILLIPS
IN WASHINGTON

Little about the process is certain—aside from the fact that it will begin this week. The Senate of the 106th Congress convenes on Wednesday, and the two articles of impeachment adopted by the House are to be officially presented to it the same day. According to the archaic wording of the rules established for Johnson's trial in 1868, Clinton's ordeal will start "at 1 o'clock afternoon of the day ... following such presentation." That, however, will be a formality. Republicans and Democrats were still working behind the scenes last week to decide just when the 100 senators will actually begin to weigh the evidence, and battling over the rules of engagement.

That fight started as soon as the House approved its articles of impeachment—charging the President with committing perjury and obstruction of justice as he vainly tried to conceal his sexual encounters with young Monica Lewinsky. The rancour in the House set the stage. The Senate prides itself on being a more stately body than the tempest-tossed House, where the people's passions supposedly burn most fiercely. In an episode that has passed into American political folklore, George Washington once explained over breakfast with Thomas Jefferson the purpose of having an upper chamber in Congress. "We pour legislation into the senatorial saucer to cool it," the father of his country allegedly said. The story is probably apocryphal—but senators still take it to heart.

So they vowed not to repeat the unseemly spectacle that gripped the House as it wrestled with impeachment. Several immediately seized on what looked like a way out: formally censuring Clinton instead of putting him on trial. Former presidents Gerald Ford and Jimmy Carter gave the censure bandwagon a hearty push with a joint statement in which they declared that a full-blown Senate trial would only be destructive. "By rehashing the lurid evidence of President Clinton's misconduct, we will only exacerbate the jagged divisions that are tearing at our national fabric," they wrote. Clinton's sky-high job approval ratings—72 per cent in one post-impeachment poll—also fuelled the idea of finally ending the Lewinsky affair with an official rebuke.

But by last week, it was clear that there would be no avoiding the impeachment tar baby. As fed up as Americans tell pollsters they are with the scandal, senators acknowledged that they cannot get around their constitutional duty to put the President on trial. But there was no agreement on just how far they must go. The rules make it clear that a trial must begin—but they give the Senate ways to jump off the train if they feel it is going nowhere fast. A majority of 51 senators may at any point vote to adjourn the trial, either letting Clinton off entirely or setting the stage for a formal censure. If all 45 Democrats supported such a move, it would take just six of the 55 Republicans to approve it.

Republicans, though, are unlikely to let that happen. Trent Lott of Mississippi, their leader in the Senate, said there must be a trial, and Mitch McConnell of Kentucky, also a Republican, who will chair the key rules committee of the new Senate, said last week that it must go all the way to a vote. "I think we owe it to the House of Representatives to dispose of the articles of impeachment, up or down," he said. If Clinton is acquitted in such a vote, McConnell added, "then at that point it seems to me you sit down and you negotiate the censure alternative."

In fact, almost no one believes that Clinton will be convicted. That would take a two-thirds majority of senators—67 in all. A dozen Democrats would have to side with all the Republicans and declare their President guilty. Under the 1868 rules, each senator will have to stand by his or her desk as the chief justice asks: "Senator, how say you? Is the respondent, William Jefferson Clinton, guilty or not guilty?" With conviction unlikely, some White House strategists were advising the President to hang tough—go through with a trial in order to secure an acquittal and exoneration. The day before he was impeached, the President publicly appealed to the House to censure him, but that was aimed at avoiding impeachment. Now that he has suffered that indignity, goes the thinking, it makes more sense for him to dig in and fight for victory in the Senate. He could then spend the remaining two years of his term arguing his impeachment was just a vindictive partisan judgment that should not stand as the verdict of history.

Still, the middle course of censure holds attractions for both moderate Republicans sensitive to the public's distaste for prolonging the affair, and Democrats who want to register their disapproval of Clinton's behaviour without removing him from office. Republican Orrin Hatch of Utah suggested polling senators soon after the trial opens. If it becomes clear that there are not 67 votes for conviction, he said, "we're going to have to do the next best thing, which is to point out to the American people how really bad his actions were." Democrat Daniel Patrick Moynihan of New York also argued for ending the matter by rebuking the President. "We'll have a trial and there will be censure, and then, God willing, there'll be closure."

Easy to say, hard to do. If Clinton is acquitted by the Senate, he will have no incentive to agree to any condemnation by Congress. Likewise, if he believes he can win a trial, he will be unlikely to sign on to a censure deal—leaving the Senate to pass only a toothless resolution with no penalties. Working out any deal between the Senate and the White House will be difficult. Republicans insist that the President must admit that he lied under oath in order to settle the matter, something his lawyers say he will not do. The impeachment article charging him with committing perjury before the grand jury investigating the Lewinsky affair rests largely on his denials that he had "sexual relations" with her near the Oval Office. Clinton's lawyers continue to insist that their client may have been evasive—but he did not lie.

All that means that a trial may take as little as a few days, or as long as several weeks. Lott and the Democrats' leader in the Senate, Tom Daschle of South Dakota, were negotiating a solution last week that involved having the Senate getting down to serious business on Monday, Jan. 11. It would hear legal arguments from both sides that week and then hold a vote on whether to proceed to a full trial with witnesses. If at least two-thirds of senators voted not to go ahead, the trial would end there, and the Senate would try to agree on a censure of the President instead. That would end the whole episode quickly—possibly before Jan. 19, when Clinton is scheduled to deliver his annual state of the union address to Congress.

That proposal, however, upsets conservative Republicans who say it amounts to a behind-the-scenes deal to get Clinton off the hook. And it angered the 13 Republican congressmen appointed by the House as so-called managers to prosecute the case against the President. They favour calling at least some witnesses—likely including such key figures as Clinton's secretary, Betty Currie, and Lewinsky herself. Another potentially contentious point: whether the managers can introduce evidence that was not part of the articles of impeachment. Tom DeLay, the Republican whip in the House and one of the fiercest impeachment hawks, advised senators to spend time examining evidence that has not been released to the public—evidence that, according to some reports, includes allegations that Clinton forced himself sexually on at least one other woman. If they do, DeLay predicted, 67 votes to convict Clinton may appear "out of thin air."

DeLay's suggestion, though, would lead to the kind of political mud-wrestling that the senators promised to avoid. They may not agree on just how to judge Clinton, but they did pledge to do it with dignity. That, at least, would be a first during the entire year-long scandal. □

Defiance in the desert

Hussein is tweaking Uncle Sam's nose



Iraqi anti-aircraft gun in Baghdad: hoping to knock a U.S. jet out of the sky

The five American warplanes—four F-15s and one F-16—flew fast and low over northern Iraq. As they roared across the Tigris River, just south of the industrial city of Mosul on Dec. 28, three Russian-made surface-to-air missiles streaked up towards them from the sand dunes. The pilots accelerated into sweeping loops, and the vintage SAM-3s—the type that shot down Francis Gary Power's spy plane over the Soviet Union in 1960—soared into the distant sky, missing by miles. Two days later, an Iraqi anti-aircraft battery fired wildly at three British Tornados as they flew across southern Iraq. In both cases, the U.S. and British pilots quickly turned on the Iraqi gunners, pulverizing their bases and killing as many as 10 soldiers. Although the United States insists all of the planes returned safely to their bases, Iraqi dictator Saddam Hussein claimed a moral victory, saying his troops had shot down at least one U.S. jet. "It's a very dangerous cat and mouse game," Brian Graham, a military analyst at the Pentagon told *Maclean's*. "Saddam is rattling his cage."

After staying virtually silent during Operation Desert Fox—the four nights of punishing air and missile strikes against military and industrial targets across Iraq which ended on Dec. 19—Hussein is finally striking back. The Pentagon believes the ground-to-air skirmishes represent a serious escalation of hostilities between Iraq and the United States and Britain, and could yet lead to another massive bombardment of the desert country. While Hussein's motives remained murky, analysts believe he has launched a complicated endgame. By prolonging tensions with the United States, they say he is attempting to shift the weight of public opinion against his enemies in hope that they will finally be forced to leave his battered nation. By week's end, Hussein remained defiant and threatened to shoot down any British or American planes that venture into Iraqi airspace. "The more that this is seen as an Anglo-American confrontation against Iraq," said John Alterman, research director for the U.S. Institute of Peace in Washington, "the less interest the international community has in taking action against Iraq."

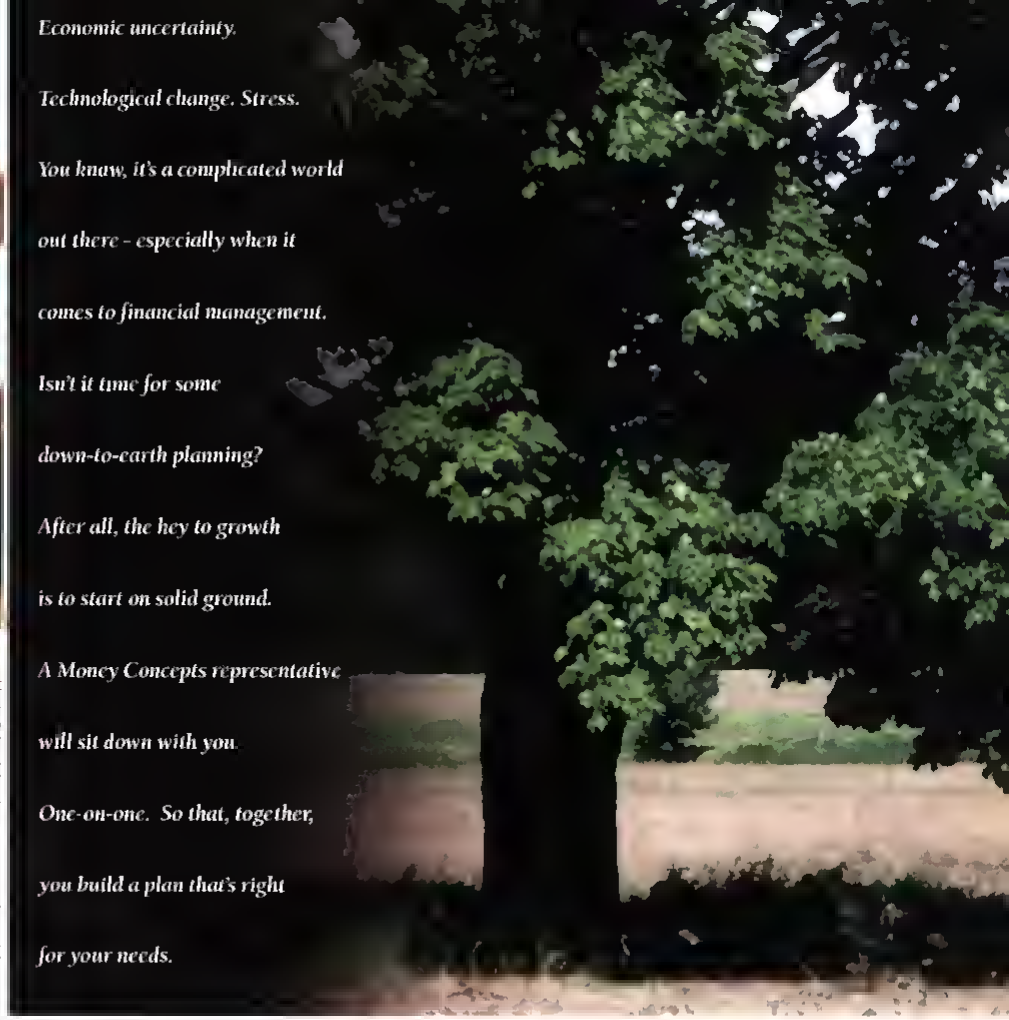
Heavily armed British and American fighters sweep almost daily over Iraq to enforce the two so-called no-fly zones imposed after the 1991 Gulf War. The first zone covers all of Iraq above the 36th parallel, and the second all of the country south of the 33rd parallel, just below Baghdad's southern suburbs. Under an edict signed by the United States, Britain and France, Iraqi aircraft are not allowed to fly in these areas. France has since withdrawn from the agreement, but the British and Americans insist they will shoot down any Iraqi aircraft straying into the zones. In the north, the no-fly zone protects the Kurdish minority, which has been subjected to attacks by Iraqi helicopter gunships and fighters that have dropped bombs filled with poison gas on the region. In the south, the exclusion zone protects the country's minority Shiite Muslims, who have been waging a low-level insurgency against Hussein's regime for more than 20 years.

Baghdad insists it will no longer honour "no-fly" restrictions and that its planes are already flying freely throughout the country. British and American military officials acknowledge that Iraqi MIG-23 and MIG-25 fighters have started to dash in and out of the forbidden zones, staying for no more than a few seconds when they know the area is clear of patrols. "Saddam has a clear interest in showing he was not cowed by the air strikes and in raising the ante," said Patrick Clawson, director of research for the Washington Institute for Near East Policy. "He thinks that he can chip away at the restrictions and win some compromises."

In addition to missile attacks, Hussein has cut off all co-operation with UN arms inspectors, refused permission for UN relief workers to fly through Iraqi airspace and threatened even to stop a program that permits Iraq to sell $10.4-billion worth of oil a year to buy food and medicine for his 22 million people. American diplomatic analysts believe that by doing so, the Iraqi leader is hoping to increase international sympathy—particularly in the Arab world—and finally undercut support for the UN trade sanctions. On top of that, his belligerence may be aimed at convincing his own military that he can still call the shots. "Saddam has to demonstrate something tangible to his supporters in the Republican Guard," said Kenneth Pollack, a Persian Gulf specialist at the National Defence University in Washington. "The gain could be shooting a plane down or getting the no-fly zone restrictions lifted."

Pentagon officials believe Hussein will continue to step up his campaign and will fire again at British and U.S. planes. They fear that he could get lucky and bring one down—something that would almost certainly lead to a new bombardment of his country. Contingency plans for renewed strikes are in place and U.S. President Bill Clinton seems determined to implement them. "Because we effectively control the skies over much of Iraq," Clinton said last week, "Saddam has been unable to use air power to repress his own people. The 'no-fly' zones will remain an important part of our containment policy." That is a resolve that Hussein will continue to test.

WILLIAM LOWTHER *in Washington*



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WORLD / MACAU

Farewell to Asia's last colony

Portuguese for 442 years, Macau prepares for Chinese rule

It is 10 a.m. in the Va Koc teahouse in the Portuguese enclave of Macau on China's south coast. The shrill notes of dozens of songbirds in bamboo cages echo through the austere tiled room. Cheung Yu Lung, a 49-year-old bus driver who regularly brings his pet here to enjoy the company of other birds, is chatting with fellow owners. He reflects: "Soon we'll be part of China. That will be good because it's the motherland and a mother always takes care of her children. You know, Portugal was never our real father, just a stepfather." Fishmonger Leong Kam San, 32, agrees. "Things will be better because there'll be more security. China knows how to handle bad elements."

Those views are common among Macau's 427,000 inhabitants, most of whom are ethnic Chinese, as they prepare for a Hong Kong-style handover in just under a year. The tiny 22-square-kilometre territory reverts to Chinese administration at midnight on Dec. 19, after 442 years of unbroken Portuguese rule. Compared with Hong Kong—just an hour away by ferry across the muddy Pearl River—the transition period of Asia's last colony has gone relatively smoothly. But it has been marred by a vicious squabble among the "bad elements"—rival criminal triads fighting, as the clock ticks down, for a share of the rich proceeds from the territory's main industry: nine gambling casinos. In addition, Beijing has been flexing its muscles. It angered some residents with surprise announcements that, after the handover, People's Liberation Army troops will be stationed in Macau and that Portuguese public holidays will be abolished. Soon, too, Beijing's choice of leader of the new Macau will be announced, and he will almost surely be a 43-year-old Canadian passport-holder named Edmond Ho.

The enclave he will take over is notorious for its seamier side, but that is an aspect the casual visitor may miss entirely. Delightful old colonial buildings, open-air restaurants and a relaxed tempo give the city and its two small islands a Mediterranean charm. Immigrants from former Portuguese colonies in Africa and India add a colourful racial mix. In Lisbon-style cafés, the Portuguese—fast diminishing in number as civil servants are repatriated—gather to gossip over sweet pastries and *bicas* (cups of strong black coffee).

But an elevator ride to the 18th-floor Gambling Inspectorate office provides a glimpse of Macau's other self. The building shelters a bizarre cross-section of businesses, including the Golden Time Nightclub, the Sauna Mona Lisa and the Karaoke Top One. Triad tentacles reach into everything, but especially into gambling and loan-sharking. There is big money at stake. Although Asia's financial crisis sent casino earnings into a 16-per-cent slump in 1998, about $3 billion still flowed in, and the 31.8 per cent creamed off by the government contributed about 60 per cent of the local budget.

As director of the gambling watchdog, Manuel Neves, 40, oversees 130 inspectors who try to keep a tight check on staff in the ever-crowded casinos. "It's a question of people watching people watching people," he says. Neves also has to watch his back. His predecessor narrowly escaped with his life in a shooting attack, and last March a respected senior official was murdered.

The massive Sociedade de Turismo e Diversões (STDM), the company controlling the gaming monopoly, has a finger in every Macau pie, from hotels to horse racing. Its chief executive, Stanley Ho (no relation to Edmond), is one of the world's richest men. Still lean and elegant at 77, he has a reputation as a ladies' man. His global business interests include investments in the Sutton Place Hotels in Toronto and Vancouver, Calgary's Rocky Ridge Ranch and Scenic Acres residential developments, and Numac Energy Inc., a Calgary-based oil and gas producing company.

The gambling has led to at least some of the triad strife. Casino VIP rooms are leased out to tour operators who receive chips at a discount and sell them to the high rollers. When outside groups tried to muscle into this lucrative business, vicious gang battles broke out in the streets. Among those arrested was Wan Kuok Koi, nicknamed Broken Tooth, who claims to have a criminal "army" of 10,000 in his 14K triad.

Worried about the upsurge in violence, Beijing has pressed Macau for tougher action, and recently beefed up security across the frontier in the special economic zone of Zhuhai with an extra 500 soldiers to combat cross-border crime. A task force of judges, prosecutors and judicial police flew in from Portugal. The overall crime rate has dropped. But, points out Lt.-Col. Manuel Geraldes, adviser to Macau's security chief, "it's hard to fight organized crime by legal means. These are professionals who know how to protect themselves."

Although China prohibits gambling on the mainland, it has made clear that it is not about to kill Macau's golden goose. Even so, when the STDM licence runs out in 2001, changes are likely, according to most analysts. One suggestion is that a nonprofit charity could run the casinos, in the same way the British-descended Hong Kong Jockey Club runs horse racing to fund good works.

There will be other changes, as Edmond Ho hinted in an interview, gazing out over modern highrise developments from his elegantly panelled office. "In two to three years, we can improve Macau," he said. "But if we try to please everybody and are subject to a constant glare of international attention, as has occurred with Hong Kong, it will be difficult." Ho, a congenial banker, is the front-runner for the role of first chief executive of the Macau Special Administrative Region. Regarded as dynamic and conservative, Ho has the right *guanxi* (connections) in Beijing and is a member of the high-level standing committee of China's National People's Congress. If picked by a 200-member, Beijing-approved selection committee, he will have to relinquish his Canadian passport—in the 1970s he studied at Toronto's York University and obtained a bachelor of business administration degree. His son and daughter are currently studying in Victoria.

The new government will be guided by Macau's Basic Law, a mini-constitution that, like Hong Kong's, guarantees a high degree of autonomy and continuance of the present system and way of life for 50 years. Expanding today's limited democratic rights is not on the agenda. Portugal will hand over a territory with accumulated budget surpluses of $560 million and per capita annual income of $25,500, but experiencing rising unemployment—now more than five per cent—and an economic decline of three per cent in 1998. More than 30,000 apartments stand empty following frenzied speculation in the early 1990s. Asia's recession has not helped. However, since Gen. Vasco Rocha Vieira, 59, was appointed governor in 1991, he has pursued the dream of making Macau a gateway to China, sparing no expense. Monuments and museums have mushroomed. An international airport and a cultural centre have been built on reclaimed land. A new bridge to China is under construction.

This is in stark contrast to the past, when Macau was a largely forgotten backwater. The last Portuguese naval vessel to visit, claimed to be the world's oldest serving warship, steamed out in 1964. After Portugal's 1974 military coup, Lisbon tried to hand back the territory, but China, distracted by the turmoil of the Cultural Revolution, rejected the offer. Portugal prides itself on its "special relationship" with China. "We did not acquire this place by conquest, like the British in Hong Kong. We came here in the 16th century as traders and missionaries," notes Antonio Salavessa, secretary for communication, tourism and culture. Even so, serious questions have still to be resolved with Beijing, such as the independence of the judiciary and the rights of non-Chinese. Following a rushed, and belated, move to replace Portuguese civil servants with locals, some of Macau's new administrators are sadly lacking in experience.

Among those most worried about the future are the Macanese—10,000 residents, mostly of mixed Chinese-Portuguese descent, with strong ties to Portugal, who have traditionally acted as intermediaries between the European and Chinese communities (less than two per cent of the population speaks Portuguese). Relics of a dismantled empire, the Macanese worry about their survival as a group. "If we Macanese don't fight for our history and culture," says senior civil servant Jorge Rangel, "after one generation the culture will be gone."

Gambling inspector Neves, who has a Portuguese father and a Chinese mother, says he was optimistic previously, "but now I see China creating problems over nationality and language. I was born Portuguese and will be so until the end of my days. Rather than change nationality, I would go to Portugal." That option is open to 110,000 Macau residents who have accepted Lisbon's offer of full Portuguese citizenship. If they wish to leave, they can live and work anywhere in Europe, unlike Hong Kong citizens to whom a fearful Britain would concede only second-class British passports that allow travel but no right of residence.

As for Stanley Ho, the gambling boss whose writ may end in two years, he is concentrating on the present—by boosting security amid the crime wave. The ornate, but down-at-heels, Floating Casino—a 58-metre-long craft—is to be towed to a new berth, closer to the other, land-based casinos. Then Ho intends to hire 300 Gurkhas—tough Nepalese ex-soldiers—to police his domain. With billions of dollars coming in, you can't be too careful—whether under a Portuguese stepfather or mother China.

DAVID BAIRD *in Macau*



Central Macau; Chinese border police in Zhuhai in anti-triad exercise (opposite); golden goose



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World NOTES

YEMEN HOSTAGES KILLED

Four British hostages, including Canadian-born mathematics professor Peter Rowe who moved to Britain in 1965, were killed, and three other Westerners injured when security forces in Yemen attacked Islamic terrorists holding 16 tourists. U.S. and British investigators will examine the botched rescue effort. Yemeni officials said troops opened fire only when the kidnappers began executing hostages. But survivors of the shootout said it was not clear who shot first.

CHINESE ACTIVISTS JAILED

In a widening crackdown on dissidents, a Chinese court sentenced veteran labour activist Zhang Shanguang to 10 years in jail for passing information on rural unrest to the U.S.-backed Radio Free Asia. Two others received three years and the founders of a banned opposition party face sentences ranging from 11 to 13 years. In a tough speech, President Jiang Zemin said China would never accept Western-style democracy.

DE CHASTELAIN HONOURED

Retired Canadian general John de Chastelain, who co-chaired the marathon negotiations that led up to the Northern Ireland peace agreement, has been honoured by Britain, being named a Companion of Honour. De Chastelain's name was included in the traditional New Year's Honours List, prepared by the British prime minister.

LABOUR STRATEGIST QUITS

British Trade Minister Peter Mandelson, a close confidant of Prime Minister Tony Blair and the main architect of the Labour Party's 1997 election victory, resigned. His decision came after it was revealed he had failed to disclose a $970,000 low-interest loan from Geoffrey Robinson, a Labour MP and millionaire whose business interests have come under scrutiny.

UNEXPECTED APOLOGIES

In a startling admission, two Khmer Rouge leaders apologized to the Cambodian people for their part in the bloody 1975-1979 revolution in which 1.7 million people lost their lives. After many Cambodians expressed outrage at the possibility that Khieu Samphan and Nuon Chea might be freed, Prime Minister Hun Sen said their trial would proceed as planned.



DEADLY SEAS: Since its inception in 1945, the 1,167-km Sydney-to-Hobart yacht race has been known as "Hell on Highwater." It lived up to the reputation when a savage storm with winds of 145 km/h slammed 10-m waves into 115 boats attempting the race. Australian authorities, mounting one of their largest maritime rescues ever, saved 50 sailors from stricken craft and recovered the bodies of four racers before giving up hope of finding two others.

Israel's election race heats up

The election in Israel, to be held on May 17, is turning into a referendum on the Middle East peace process. The campaign was triggered when Prime Minister Benjamin Netanyahu's Likud government lost a key vote in Parliament in December over the question of whether to abandon the U.S.-brokered Wye River peace deal under which Israel would exchange part of the West Bank for security guarantees. Since then, Benny Begin, 55, the only son of former prime minister Menachem Begin, and who once served as science minister in Netanyahu's government, has launched his own party in a bid to capture the leadership of the country. With as many as six political parties set to contest the election, analysts say the right wing led by Begin, a staunch opponent of Israel's land-for-peace agreement with the Palestinians, will likely split the hardline vote. That could open the door to a possible Labour victory. Palestinian leader Yasser Arafat will also play a key role in the election. The Wye River plan is scheduled to be implemented on May 4, and Arafat will have to decide whether to unilaterally declare an independent Palestinian state on the West Bank. Some observers, however, believe he will soften his stand if it becomes apparent that such a declaration would aid Netanyahu in his bid for re-election.

NATO threatens to enforce peace in Kosovo

NATO officials vowed to enforce a fragile truce in the Serbian province of Kosovo where clashes between rebel fighters and government soldiers left 25 people dead last week. As the wounded were evacuated, Serbian forces and the Kosovo Liberation Army remained entrenched near the strategic northern town of Podujevo. More than 1,000 people have been killed since Yugoslav President Slobodan Milosevic began an offensive last February against the rebels, who are fighting for an independent state. The skirmishes added to pressure on an already shaky peace agreement reached in October after NATO threatened to bomb Serbian military targets. NATO warned that an activation order allowing its planes to strike at Serbian targets was still in place and it could "intervene" at any time if the fighting continued.

OVERCAST IN '99

Business leaders forecast a year of sluggish growth and slow recovery

An old joke has it that God created economists to make weather forecasters look good. Fair or not, it is certainly true that most economists a year ago underestimated the extent to which the Asian economic crisis would spill over into Canada. Amid falling resource prices and weakened exports, the domestic economy expanded by an estimated 2.8 per cent, a full percentage point less than some analysts were expecting.

The experts, as always, are ready with their predictions for the coming year, but this time many Canadians will be hoping that they have erred on the cautious side. The consensus among private-sector economists is that Canada's economic growth rate will decline to somewhere between 1.5 and 2.5 per cent in 1999. Sherry Cooper, a normally bullish senior economist at Nesbitt Burns Inc. in Toronto, is among the more pessimistic: she expects that the gross domestic product will increase by 1.8 per cent, marking the third consecutive year that Canada will have underperformed the United States. Along with many other analysts, she foresees lingering weakness in manufacturing, residential construction and export-oriented industries such as oil and gas, mining and minerals, and forest products. An even bleaker scenario is painted by chief Canadian economist Ted Carmichael at J.P. Morgan Securities Canada Inc. He expects a mild recession in mid-1999, with some relief possible in the form of tax cuts.

If either of those forecasts prove accurate, the coming year may be a disappointing one for job-seekers. Across the country, an estimated 425,000 net new jobs were created in the first 11 months of 1998, the strongest performance since 1979. The unemployment rate fell to eight per cent from about nine per cent, but many economists believe the trend will reverse itself by the spring, with the jobless rate rising to about 8.5 per cent by year end.

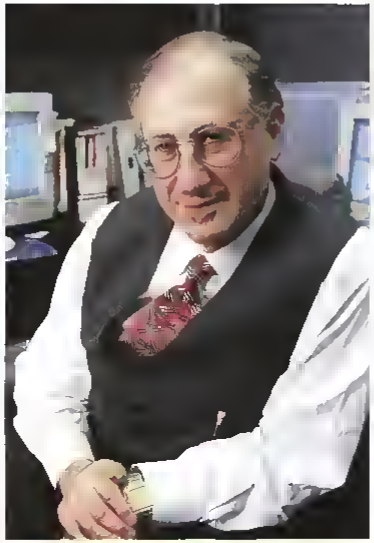
The biggest problem Canada faces is an anticipated slowdown in the U.S. economy, which is now heading into its ninth consecutive year of growth, the longest peacetime expansion in its history. Few analysts expect a U.S. recession in the coming year, but even a moderation of growth would hurt by reducing demand for Canadian-assembled cars—Canada's most important manufactured exports—as well as lumber, steel and a wide range of other raw materials.

If there is a silver lining in those forecasts, it is that interest rates seem more likely to fall than rise, as the U.S. Federal Reserve Board attempts to offset the deteriorating economic environment. The Bank of Canada would follow suit, which means 1999 could bring good news for anyone thinking of buying a house or renewing a mortgage. Rates for car loans and other consumer credit are also expected to ease slightly.

Whether that will be enough to maintain consumer confidence is an open question, however. In 1998, consumer spending was one of the driving forces in the economy, accounting for nearly three-quarters of the country's gross domestic product growth, says Rob Palombi, an economist with Standard & Poor's in Toronto. So far there has been little sign of a slowdown in demand, but economists warn that the rising levels of consumer indebtedness could eventually force a sharp reduction in spending.

For a sense of what to expect, *Maclean's* spoke to a range of business leaders and other Canadians to get their predictions for 1999.

ROSS LAVER



JOSHUA MENDELSOHN, chief economist of the Canadian Imperial Bank of Commerce

The global picture: "There will be continued weakness in emerging economies. While there are signs that the financial crisis in Asia has bottomed, the real economic effects of the crisis are very much with us and many countries, including Japan, are still suffering deep recession. There's not much hope for Russia, and Latin America remains at high risk, with Brazil being a focus point.

"If Japan gets through the recession and if Brazil doesn't blow up on us, we'll see a turnaround in late 1999, early 2000. But we'll have a slow first quarter 2000 as Y2K (the feared millennium bug) unwinds. If it's a catastrophe, then you rewrite the history books, but we don't think it will be that big a problem in North America because it has been so hyped."

On North America: "The U.S. economy will be slowing down more sharply than Canada's (to 2.3-per-cent growth in 1999 from 3.7 per cent in 1998) due, in part, to slowing in investment because of poorer profit performance. That will take some steam out of Canada because our exports won't grow."

JEAN MONTY, president and CEO of Montreal-based BCE Inc.



On telecommunications: "The capability to connect to networks, to the Internet at higher speeds with more functionality and at lower prices will just accelerate in 1999. We're going through a major transformation of the telecom network that we used to call the telephone network. The Internet is going to be a way of life as opposed to strictly an element of your life.

"There are possibly 200 million Internet connections today in the world, and 600 million telephones. Everybody believes that every telephone is going to be an Internet connection over the next 10 years. So that means that you're going from 200 to 600 million Internet connections. To me that's the perfect example of why the Internet is becoming the new communications medium. It's the new network as opposed to strictly another gizmo. It is becoming the telecom network of the next century."

On the Y2K computer bug: "The industrialized world, I believe, will be quite ready. But the less developed countries, I really put a question mark on it."

STEPHEN JARISLOWSKY, chairman and CEO of Jarislowsky Fraser Ltd.

On the economy: He foresees flat to slight growth in 1999. Canada will continue to suffer because there "will be no recovery from the brain drain to the United States and little new investment in natural resources, which have been hard hit. And it will be a slower year than this year."

On interest rates: "If there's a material slowdown in the United States, interest rates will go down by as much as 50 basis points."

On stock markets: "If rates go down, the markets will stay relatively stable and possibly go up a bit. But we've had four years of 20-per-cent returns. The Internet craze has been overdone. None of these crazes last too long. So I wouldn't be into them. Really, there is not much to buy. Stay on the sidelines and wait for a good opportunity. The higher the market goes, the more volatile it becomes. Cash can't hurt you. Don't fly too close to the sun, keep your feet on the ground."



JACQUES MENARD, deputy chairman of Nesbitt Burns Inc., chairman of Hydro Quebec and chairman of the Montreal Expos

On the economy: "The issue we're going to ask ourselves some time in mid-1999 is, will we have a recession in the year 2000? I'm sure the economic growth numbers are going to be sobering in the last quarter of 1999 and the first quarter of 2000, what with the millennium bug and some economic behaviour that might be affected by the imminence of the year 2000. For instance, we know a number of people will significantly curtail their travel plans in the last quarter. At Hydro Quebec, we're spending over $60 million a year to deal with the bug. We're well on course and we'll have ourselves all done by the end of March. That kind of economic injection is not going to take place in the year 2000. Nesbitt Burns is about half of that—some 30-odd million dollars. That's a lot of money."

JOCK FINLAYSON, economist and vice-president of policy, Business Council of British Columbia

On the economy: "We may do a tiny bit better in '99 than '98, but I don't see any strong recovery here [in B.C.] at all. There's no basis for it. We are the only province in Canada currently in a recession.

"Our largest industry, forestry, is in the worst economic condition in half a century. Our population, which has been growing at close to 2 1/2 per cent a year—double the Canadian average—has plummeted to less than one per cent a year now because people are leaving British Columbia for other provinces. We have the lowest levels of consumer confidence and optimism." Finlayson predicts a slowdown in the U.S. economy will have a bigger impact on British Columbia than other provinces.

Rays of hope for '99: Lower interest rates, help for exports from a low Canadian dollar and tax relief at the federal and provincial levels.

JURI KOOR, chairman, president and CEO of Call-Net Enterprises Inc., the owners of Sprint Canada

On the economy: "I'm sort of a pessimist. I think consumers are probably not spending as much money as they were last year or the year before. Although unemployment does not seem to be increasing, I think the big difference is that overtime in most places is down pretty significantly. I believe we're going to have a recession in the next year or two, for sure. It's knowing when, not whether, that I'm worried about."

On the phone industry: "Consolidation will continue big time. This is not a Canadian trend

WHAT LIES AHEAD?

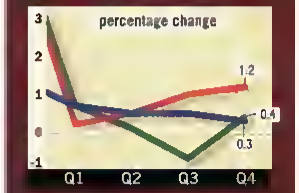
Maclean's charts the coming year with three differing sets of quarterly economic predictions

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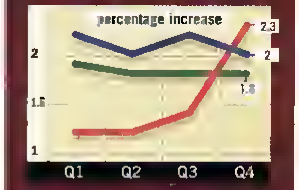
Economic growth



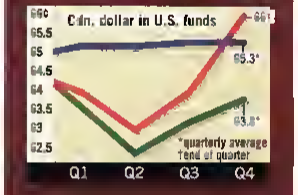
Job growth



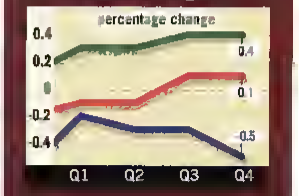
Consumer spending



The dollar in '99



Personal savings rate



alone, this is a worldwide trend. Over the next decade, we'll probably end up with three or four huge multinational carriers, and some regional guys and some very market-specific people with their own product niches or geographical niches."

MICHAEL MACMILLAN, chairman and CEO of Alliance Atlantis Communications Inc.

On the economy: "I am afraid the economic outlook is choppy We will see a certain amount of battening down the hatches and a decrease in corporate and personal spending [However,] the entertainment industry will fare relatively well in 1999." Research shows that even in times of stress, people continue to watch TV and videos and go to the movies "It's cheap and it's relaxing So whatever happens, we believe the outlook for our industry is one of significant growth."



PAUL SINCLAIR/ANS

On merging: "We have spent the past few months completing the merger [of Atlantis and Alliance] and getting our arms around the new company So we enter 1999 with huge enthusiasm We are expanding all our current businesses—motion-picture production and distribution, television production and distribution Also, we are looking at possible acquisitions "

MICHAEL ADAMS, president of Environics Research Group

On general trends in 1999: "The joy of consumption, the quest for novelty, these are both in decline The cheap thrills, buying everything that is new—this is not there among the general populace People are adopting new technologies when they are in fact easier or cheaper E-mail is something that people are finding more convenient and indeed less expensive than posting a letter.

"Canadians are price sensitive and they're experience sensitive Of course, the ultimate experience is tourism, which is the No 1 industry in the world So while we're very price sensitive, we often splurge on our tourism, and believe that we deserve one, two or three vacations a year."



PAUL SINCLAIR/ANS

PETER MUNK, chairman and CEO of TrizecHahn Corp. and chairman of Barrick Gold Corp.

On the economy: "Canada will have a prosperous and good year with good growth—not excellent though The reason for my forecast is simply that the resource sector will remain depressed principally due to the Asian economies. It will take longer than a year for them to fully recover

"As we enter the new millennium, Canada will accomplish a great deal on the world stage. My confidence is founded in part on the coming of age of our Canadian-based international business enterprises I see this in my travels, I see this in our willingness to take on the world, and I see this in some great companies doing well abroad—the Magnas, the Northern Telecoms, the Hollingers and the Power Corps—just to name a few obvious ones. We have trained people, the technology, the health and education systems and the right trade agreements to make it happen "

On gold mining: "I see the industry as a whole being driven to make defensive moves, ones that are driven by weakness and a yearning to get bigger for the sake of it. All the talk about consolidation is premature and often driven by wishful thinking You have to make the right moves at the right time."

PAT BURNS, executive director of the Greater Vancouver Food Bank Society

On the poor: "There is not a lot of optimism that things will get better for low-income people " He says that over the past three years, the number of people using food banks in his area has risen almost 60 per cent, to 8,000 from 5,000. He does not expect this to change in 1999. "With the number of mills closing in many of the small towns, people who used to support food banks may now find they are relying on them."

SAM BLYTH, president of Blyth & Co., a Toronto-based tour company

On vacation plans: "The number of people travelling to U S dollar destinations, both to Florida and the Caribbean, has gone off a lot and that will continue to be the case. Many more Canadians are realizing that we have a basket case of a currency, so lots of people will travel within the country and lots of Americans will join them. Canadians are also travelling more to softer currency countries, exotic ones We're seeing a big trend towards places in the Far East, Thailand, Indonesia They're cheap to get to because airfares are extremely low, and when you get there they're extremely inexpensive to live in. First-class hotels that were in the $200-to-$300 range can now be bought for $40 to $50 a night.

"Lots more people are going on ships, too There was 15-per-cent growth in the cruise industry worldwide in 1998 There will be huge opportunities in '99 for discount cruise programs The supply is growing faster than 15 per cent, which will result in lots of two-for-one offers and deep discounts."

HEATHER REISMAN, president and CEO of Indigo Books, Music and Café

On the book industry: "I think we're at the beginning of a whole new era of book publishing and distribution " She says her industry is finally beginning to accept the idea of quick inventory turnaround. "The concept of publishing just in time and sending quantities [of books] more closely to what's required and then selling them where they are received, I think that's what's going to happen."

On Internet selling and culture: "The whole question of culture and how a country enhances and strengthens its culture in a global world is something that has to be fundamentally rethought But it is not going to be protected by putting barriers on distribution We have completely archaic, ill-conceived regulation on ownership of publishing and distribution



CORY MITCHELL-TAIT

"The most important thing that could happen in 1999 would be legitimately raising the question as a question, not as an answer: 'What does one do in a global society when you want to ensure that your voices are heard?'"

On the economy: "Cautiously optimistic "

DAVID KERR, president and CEO of Noranda Inc

On metals and mining: "There has been a significant amount of negative news in the past year I think in the months ahead this view will be discontinued Despite continued low prices, we expect good demand I feel really quite good that in the year ahead we expect to see a quantum leap in rates of return In the immediate future, copper and nickel prices will remain soft, but zinc should start to see some improvement."

JOY CALKIN, president and CEO of Extendicare Inc.

On health care: "Many Canadians are disputing the adequacy of health-care funding, the merits of restructuring and who should control the provision of services I believe that meaningful answers will elude us unless we ask the right question: what measurable outcomes do we expect of an effective and affordable Canadian health system? We need a consensus on acceptable outcomes to determine how to allocate finite resources and to formulate a new kind of Canada Health Act. Otherwise, 1999 will just bring more fruitless debate "

BRIAN WHITE, head of market analysis at the Canadian Wheat Board

Outlook for wheat: He expects a better year financially. "Weighing on the market has been a sizable wheat crop In 1998 we saw the second-largest world wheat crop In 1999, we expect it to be about 575 million tonnes, that's dowo substantially."

CHARLES CAVELL, president and CEO of Quebecor Printing Inc and designated chairman of the newly merged Quebecor Inc. and Sun Media Corp.

On the economy: "I think the economy is going to be reasonable—not necessarily buoyant—but clearly reasonable We're looking forward to a very strong year in 1999 "

On newspapers: "I think the restructuring that has been taking place within the sector augurs well for a very strong year And I think that the big winners are going to be the readers and the advertisers as people put more and more effort into presenting highly desirable products The changes that we've seen, largely precipitated by Conrad Black's move with the *National Post*, have caused everybody to pay a lot more attention, and I think this is extremely healthy" □

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Ross Laver



Canada—who needs it?

She's been hailed as one of Canada's top young entrepreneurs and the brains behind one of the country's fastest growing software and entertainment companies. So what is Isabel Hoffmann, the energetic 39-year-old founder of Toronto-based I. Hoffmann & Associates Inc. (H+a), planning to do for an encore?

Oddly enough, she's thinking of moving to the States.

To New York City, in fact, where as Hoffmann sees it, the banks are less fearful of lending to young companies, the people are less culturally insecure and the politicians don't act like they have a God-given right to meddle in the private sector.

Oh, and one more thing. "The shopping is better there, too."

Hoffmann is half joking about the shopping, but she's serious about wanting to pull up stakes. Canada, she says, throws too many obstacles into the paths of entrepreneurs. Despite all the talk about the so-called brain drain and the need to nurture homegrown innovation, she believes Canadians as a group are too complacent and risk-averse to succeed globally.

"I have a theory that Canadians have been raised to conform," says Hoffmann, who grew up in Switzerland and Portugal. "When you have conformism, you don't have creativity. Canadians always see themselves as second class."

If that's true, Hoffmann undoubtedly belongs elsewhere. In six years, she's taken her firm from a standing start to more than $5 million in revenues, largely on the strength of a popular series of children's CD-ROMs. The walls of her office—in a converted downtown Victorian mansion—are lined with awards and accolades, including a spot on *Maclean's* annual Honour Roll in 1995, a 1996 Entrepreneur of the Year trophy, recognition by *The Financial Post* in 1997 as one of Canada's top 40 young CEOs, and a 1998 world medal for interactive media at the New York Festivals Competition.

Having come this far, Hoffmann is itching to break into the big leagues with a proposed initial public offering next fall. A key part of her strategy is to ally her 50-employee firm with multimedia and entertainment giants—companies that can give her access to a worldwide audience. Last summer, H+a struck a deal with CBS to develop and manage CBS KidShow Online, a Web site tied to the network's lineup of Saturday morning cartoons. Soon after, Netscape Communications Corp. chose H+a to be a content provider for its new children's Web service, KidZone.



PHILL SNEL, MACLEAN'S

Hoffmann: 'I have a theory that Canadians have been raised to conform'

At the annual Digital Hollywood conference in Las Vegas, Nev., this week, Hoffmann plans to unveil yet another partnership: an agreement with Montreal-based Cinar Corp. to develop an animated TV series based on her company's best-known digital characters, a boy named Nikolai (named after Hoffmann's nine-year-old son) and his mischievous cat Neow Neow. There are also plans to spin off Nikolai and Neow-Neow into a collection of children's books. The deal would be something of a watershed—the first time in Canada that characters conceived on CD-ROM have made the leap to the printed page, rather than vice versa.

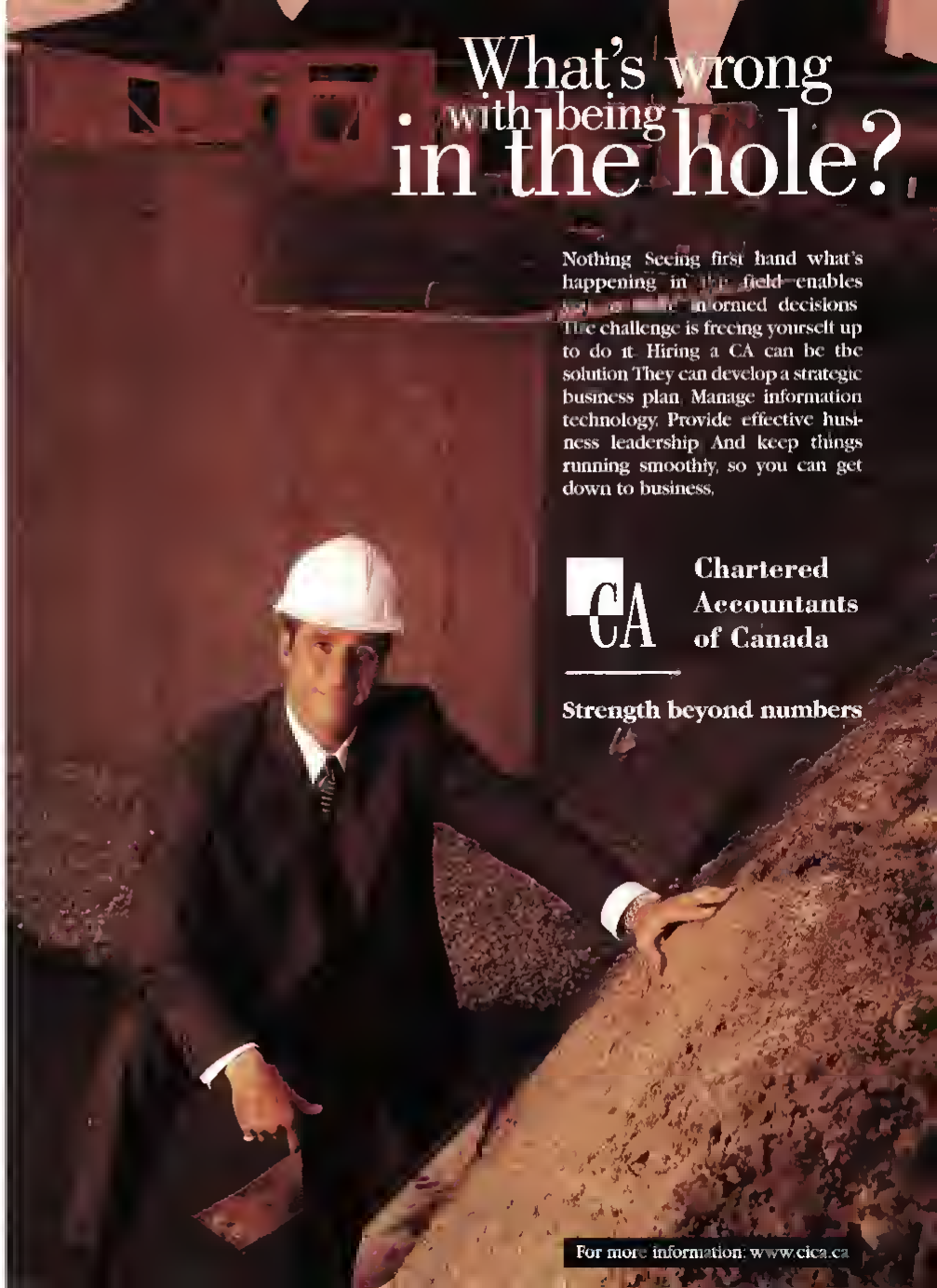
With so much going her way, you'd think Hoffmann would be in high spirits. Yet she can barely contain her frustration with the bankers and government officials who, she insists, have stunted H+a's growth and forced her to consider relocating. "The Royal Bank has been my bank since I came to this country in 1976, but they've been doing everything possible to get rid of me," Hoffmann says. Eighteen months ago, she crossed swords with the bank over her refusal to pay an $8,000 legal bill arising from an application for a line of credit. Since then, she says, the Royal has declined her requests for additional financing. At one point, the Bank of Montreal seemed poised to approve a line of credit tied to the firm's receivables, but Hoffmann claims the bank changed its mind after announcing plans to merge with the Royal. Hoffmann, for one, thinks Finance Minister Paul Martin was right to kill the bank mega-mergers.

"The Canadian banks don't like us," she admits. "I'm very glad they've been forbidden to merge, because as it is we have absolutely no choice. The banks look at us and say, 'Oh, Internet company—risky, very speculative.'"

Three Canadian venture-capital lenders also gave her the cold shoulder, so a year ago Hoffmann struck a financing deal with Mitsubishi International Corp., the New York arm of one of Japan's mightiest conglomerates. She's now negotiating a further cash infusion from a U.S.-based venture-capital firm. "Our experience in the United States is nothing compared to the nonsense we were listening to in Canada."

As for the government—well, don't get Hoffmann started. She complains that Ottawa has been slow to pony up $368,000 worth of investment tax credits earned in 1996 and 1997, that H+a has been unfairly denied government contracts, and that the rules surrounding federal and provincial grants for new media are stacked against her because they favour tiny start-ups and companies that produce Canadian content. "This is ridiculous to me because the content we're creating is exportable around the world. It's precisely what they should be supporting. But no—they'll only support it if it's relevant to some little group up north in Yellowknife."

So what? So Hoffmann is now weighing an offer of office space in Mitsubishi's U.S. headquarters on Madison Avenue. "It's a little dangerous for me to talk about this because some of my employees may not like it, but I'm serious," she says. "It's got to the point where I don't see any advantage to staying in Canada." Perhaps not, but Canada's nascent multimedia industry can scarcely afford to lose one of its brightest stars. The question is, does anybody care?



MP spends thousands in massage parlour to "relieve stress".

OTTAWA – "It's all one big misunderstanding" At least that's what Member of Parliament Joel Burton wants you to believe Upon being detained by police during a ra of the "Wink, Wink, It's a massage par' last nigh

MP says butler is "necessity."

OTTAWA – Benson, Mr Belvedere, Jeeves. They were the great

Government pays $234 for toilet seat

OTTAWA – Something stinks in our nation's capital

Senator complains limo "isn't a stretch"

OTTAWA – In what many consider a verbal gaffe for the ages venerable senator George "Man of the People" Mcpherson

1.5 Million for Voice of Fire.

TTAWA – People are not impressed The tional Gallery of Canada's decision to pend 1 5 million to acquire "Voice of ire" for its collection 'My 4 year old can paint better than ' " said

Government spends $70,000 to determine melting temperature of butter.

OTTAWA – Members of the opposition w churned up when they learned of a study co ussioned by the Department of Agricult at which butt

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Business NOTES

PUBLISHING UNION

Canada Publishing Corp. has sold 49 per cent of its shares to IDG Books Worldwide of California for $2.6 million. The deal, which includes the Macmillan Canada line, slips under a federal restriction on the sale of Canadian-owned publishing firms Canada Publishing president Ron Besse said the union could be a model for other deals—"provided we can convince Americans to be happy with a 49-per-cent share."

YBM CLASS ACTION

A Canadian class-action lawsuit was filed in the YBM Magnex International Inc scandal following at least two lawsuits in the United States The new suit names auditors Deloitte & Touche and YBM's former directors, including former Ontario premier David Peterson and Owen Mitchell, a vice-president of First Marathon Securities Ltd.

CAPITAL INFRACTIONS

The former Midland Walwyn Capital Corp. was fined $155,000 by the New York Stock Exchange for a series of violations, including failure to maintain adequate capital reserves in 1996 and 1997 The infractions occurred at the U.S. arm of Midland Walwyn Capital Inc. of Toronto before it was purchased by Merrill Lynch & Co last summer and renamed Merrill Lynch Canada Inc.

SMUGGLED SMOKES

An affiliate of R. J Reynolds Tobacco International agreed to pay $23 million in fines and forfeitures for helping smugglers illegally slip Canadian export cigarettes back into Canada. U.S. Attorney Thomas Maroney said Northern Brands International admitted its role in diverting 26 tractor-trailer loads of Export A and Vantage cigarettes back into Canada without paying U.S. excise taxes.

E-TRADE FRENZY

Internet stocks soared into the new year on news that online holiday shopping in the United States proved even more robust than expected. The in-flight retailer SkyMall Inc surged on the Nasdaq stock market after reporting Internet sales had more than tripled in the fourth quarter to $1.6 million, up from $465,000 a year ago. The Dow Jones industrial average, which three months ago had sunk into the 7,000s, finished 1998 at a healthy 9,181.43.

Overhauling the wheat board

A long-awaited report recommends sweeping changes to the Canadian Wheat Board, an institution that is already battling to improve its image After a year of study, retired Supreme Court judge Willard Estey has proposed that the board—which co-ordinates the movement of grain to ports—transfer that role to private grain companies. The board's role would be confined to sales and marketing, the report says, with "no operational or commercial role in the handling and transportation of grain." In effect, the report recommends that the movement of grain be deregulated and that farmers play a much larger role in deciding when and how their produce moves to market. Farmers would sell their grain to the company that offers them the highest price The companies would have the power to take competitive bids from railways for the shipment of grain Estey also recommended that the cap on grain freight rates be eliminated and that no grain should be shipped until it is sold The study was commissioned in late 1997 after farmers suffered massive losses because of delayed shipments



JOHN WALKER, FRESNO BEE/AP

FROZEN FRUIT:

Freezing temperatures blasted through California's San Joaquin Valley, destroying about 50 per cent of the state's orange harvest and driving up Canadian prices for citrus fruit. The wholesale price for a box of 72 midsize oranges jumped from $26 to between $38 and $54. Prices for lemons and other affected crops, including cauliflower, also shot upward.

Closing a loophole

Finance Minister Paul Martin quietly announced that Canada plans to alter its laws to prevent wealthy taxpayers from moving family trust assets out of the country without paying capital gains tax. Martin originally signalled his plans two years ago after the Bronfman family of Montreal transferred $2 billion in Seagram Co Ltd. shares to the United States. The new law, which will be retroactive to Oct. 1, 1996, if it is passed, will prevent Canadians from accumulating wealth in Canada and then transferring it out of the country without paying tax. A $25,000 exemption will apply to avoid penalizing lower and middle-class taxpayers. The Bronfman family move was singled out for attention in 1996 by federal Auditor General Denis Desautels.

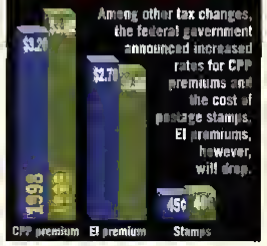
FINANCIAL OUTLOOK

Canadians awoke from their New Year's Eve celebrations to find that, once again, Ottawa has altered the financial landscape. Employment Insurance premiums will drop slightly. But that will be more than offset by a hike in Canada Pension Plan premiums. Correspondence will also cost more. In addition to a one-cent increase—to 46 cents—for basic letters to Canadian destinations, it will now cost 55 cents to mail a letter to the United States, a three-cent jump The international rate goes to 95 cents, up five cents

There was some good news, however. Provincial tax rates will drop for those in New Brunswick, Ontario, Manitoba, Saskatchewan and British Columbia. There will be no change in other provinces. Taxpayers will also get a break as the federal government makes good on a promise in last year's budget to reduce or eliminate the three-per-cent general surtax. Those earning $50,000 or less will pay no surtax, while those earning up to $65,000 will see a reduction. Finance Minister Paul Martin is considering further measures to reduce or eliminate the surtax for all taxpayers in his next budget The tax was introduced in 1986 to reduce the deficit

UPS AND DOWNS IN '99

Among other tax changes, the federal government announced increased rates for CPP premiums and the cost of postage stamps. EI premiums, however, will drop.



DISHING OUT RUDENESS

Complaints abound as customers are ignored, berated

BY RAE CORELLI

It is Saturday morning in Vancouver and the breakfast-and-brunch eatery on Davie Street in the city's west end is packed and noisy. Outside, patrons waiting for tables form a restless lineup a block long. Inside, a customer half shouts to make himself heard: "Hey, could we have more coffee over here?" A passing waiter yells over his shoulder: "You want more coffee, get it yourself." The customer only laughs. Another diner complains loudly that he and his party are running late and need their food. Replies manager Patrick Savoie: "If you're in a hurry, you should have gone to McDonald's." More laughter—for this is the Elbow Room Café, a daytime-only restaurant with a 100-item menu and the most abusive waiters west of the Rockies. Now and then, they even ask dawdling diners to leave. The whole performance is, of course, a purposeful parody of dreadful customer service. "It's almost like coming to a theatre," says Savoie, who spends much of his time inventing new ways to insult the clientele.

But for thousands of Canadians, bad service is neither make-believe nor amusing. It is an aggravating and worsening real-life phenomenon that encompasses behaviour ranging from indifference and rudeness to naked hostility and even physical violence. Across the country, better business bureaus, provincial government consumer-help agencies and media ombudsmen report a lengthening litany of complaints about contractors, car dealers, repair shops, moving companies, airlines and department stores. "There's almost an adversarial feeling between businesses and consumers now," says Valerie MacLean, general manager of the Vancouver-based Better Business Bureau of Mainland British Columbia. "I find that some businesses are less and less inclined to want to resolve complaints."

Experts say there are several explanations for ill feeling in the marketplace. One is that customer service was an early and inevitable casualty when retailers responded to brutal competition by replacing employees with technology such as 1-800 numbers and voice mail. Another factor is that business generally has begun placing more emphasis on getting customers than on keeping them. Still another is that strident, frustrated and impatient shoppers vex shop owners and make them even less hospitable—especially (and ironically) at busier times of the year like Christmas. On both sides, says Robert Warren, a University of Manitoba marketing professor, "simple courtesy has gone by the board." And for a multitude of consumers, service went with it.

Last June, Mark Starowicz, executive producer of documentaries for CBC television, rented a car to take six of his teenage daughter's girlfriends to his farm north of Toronto for her birthday. When he tried to resume his journey after a brief stop in Peterborough, the ignition key wouldn't turn.

"I call the hotline number on the rental agreement and the woman who answers is in Oklahoma," Starowicz says. "She has never heard of Peterborough, but when I spell it for her she says I'm about two hours from Toronto. I say I know that, I drive it every weekend. I might as well have called Paraguay.

"At one point, I had Oklahoma on the pay phone and the Toronto rental guy on the cell phone and six 14-year-old girls looking very bored. It took them four hours to send somebody and get me under way."

The Better Business Bureau of Mainland British Columbia gets 250 complaints a week, twice as many as five years ago. The bureau then had one complaints counsellor and now has four. "People complain about being insulted, having their intelligence and integrity questioned, being threatened—you know, 'You'll be sorry you complained,'" MacLean says. "We hear about screaming matches and profanity between customer and clerk, about people being hauled almost bodily out the door by somebody saying things like 'I don't have to serve you!' or 'This is private property, get out and don't come back!'"

One home renovator threatened a senior citizen with violence if she refused to write the bureau a letter saying her complaint about his workmanship had been resolved, MacLean says. "I became suspicious and called her, but she was too frightened to go along with me." When a group of dissatisfied homeowners threatened to report another renovator to the bureau, "he said he would not complete the work and would abandon the project." If the bureau's arbitration process fails to settle a dispute, a customer's only recourse is to sue in small claims court. But because of the costs and time it takes, relatively few ever do.

However, MacLean has discovered an informal avenue to consumer justice that works well: she goes on TV. Says MacLean: "The best way to hurt bad business is to go to the media and expose them."

Gillian Shaw, The Vancouver Sun's *consumer affairs writer, went to a suburban department store with her three children last fall to buy back-to-school clothes.*

"We couldn't get a changing room because they were all locked, and, of course, there wasn't a clerk on the entire floor. I was getting annoyed and ready to dump this pile of clothes when I came across a little old lady who is sobbing and banging on the door of a change room trying to get in.

"I finally found someone who worked for the store. But opening changing room doors wasn't in her job description and she wouldn't do it. However, she was very sympathetic and said this happened all the time.

"It was like being in a Monty Python *skit."*

There is a lot of support for the notion that service has, in part, fallen victim to generational change. MacLean says many young people regard retailing "as just a dead-end job that you're just going to do temporarily on your way to a *real* job." Prof. Andree Roberge, a consumer science specialist at Laval University in Quebec City,



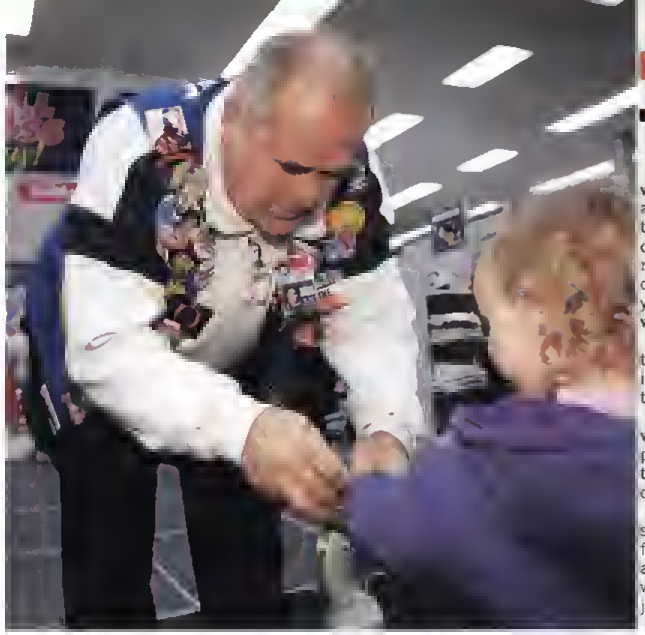
BAYNE STANLEY FOR MACLEAN'S

Manager Savoie (right) serving customers at Vancouver's Elbow Room Café, insulting the clientele

says young clerks often lack both knowledge and civility. "What we find," she says, "is that employers are having to train young people in simple manners because that is not being done at home."

The University of Manitoba's Warren agrees. "Salespeople today, especially the younger ones, have grown up in a television-computer society where they've interacted largely with machines. One of the biggest complaints I hear from businesses when I go to talk about graduates is the lack of interpersonal skills."

And there are companies that need sensitivity training themselves, says Warren, particularly the ones that fire employees to save money and then try to attract more customers. For example, he says, "the airlines make the seats a little narrower or they put the rows closer together, and if you're more than five-foot-10 you've got your knees planted against your chest. Then, they out-and-out lie to you about departure times and overbook the seats. They push back 10 feet from the gate to preserve their on-time departure record and you sit there for an hour. The crew tells you nothing, they don't come around with the drinks, and at the end of the flight there's no apology for any of it."



Strategic service: Wal-Mart employs the friendly 'greeter' to gain competitive advantage

During her lunch hour, legal secretary Lucy McHugh went shopping in a downtown Toronto mall and came across a store that had blouses on sale for $14.99.

"I took three or four off the rack," she says, "and went to the back where they have the change rooms." As she stood there, another woman was shown into one of the rooms ahead of her.

"As the clerk walked past me, I said, 'Oh, I'd like to try these on,' and she said, "Come back later.' And I said, 'Pardon me?' She said, 'Come back after the lunch hour, maybe about three o'clock.' I asked, 'Why is that?' And she said, 'So people can try on regularly priced clothing. Those blouses are just $14.99.'

"I stood there, kind of stunned. Then, I said 'Fine' and put the blouses back on the rack and walked out."

For Michael Pearce, director of the University of Western Ontario's undergraduate business program, consumers share responsibility for diminishing service. "Customers want the price, they want the assortment, they want the convenience, they want the service—they want it all," says Pearce. But that has become impossible, he says, because duel-to-the-death competition with no-frills discount outlets has forced full-service retailers to jettison staff and reduce service to stay alive.

"If you look at the department stores, that's the kind of slippery slope they got on," Pearce says. "They cut back the service because sales were down, they were hurting, so what do they cut back? Payroll. You cut back the service and the sales go down more. Via Rail did that. 'We're not doing so well,' they said. 'Let's cut the schedule. Gee, isn't that interesting? Now, we're *really* not doing too well. So let's cut it some more.' And so on."

In the end, says Pearce, if customers want service they are going to have to subsidize the cost of training people to deliver it. Otherwise, he says, "the point of customer contact will be the lowest-paid person in the organization."

Southern Alberta is experiencing a building boom, and complaints about bad service are rising as fast as the houses. Contractors and renovators have been so busy, says Ellen Wright, operations manager of the Calgary Better Business Bureau, that some are rushing from one job to the next, leaving shoddy workmanship and unhappy customers behind.

Asked to let a customer into a change room, the clerk said: "Come back later. Those blouses are just $14.99."

But builders are not the only offenders. Wright says that since Jan. 1, 1997, the bureau has received 65,000 telephone complaints, nearly twice as many as in the preceding 18 months, "and they're going to increase again." Written complaints have doubled to 650 in the same period. "In some businesses," she says, "there's that attitude of 'You don't like it? Go somewhere else.' Companies become verbally abusive."

And flirt with physical abuse as well. Wright says one caller claimed that when he and the owner of an ice-cream shop got into an argument last summer over the amount of change given the customer's son, "the owner went under the counter, came up waving a baseball bat and said, 'You want to discuss this further?'"

An electronics repair store in Calgary kept a VCR for so long that the irate owner showed up and demanded its return. The counterman responded by hammering a screwdriver into it. Among the growing complaints about moving companies was one from a householder who said that when he refused to pay 50 per cent more than the contract fee, the mover threw his belongings into the street and drove off.

"People on the whole are putting up with less and less," says Wright. "Businesses are unhappy with customers and customers are unhappy with business."

When Toronto lawyer Ian Outerbridge embarked on improvements to his summer cottage last year, he decided to get new screens, among other things. "So I very carefully measure the old ones, very carefully, and order new ones. They make them one-sixteenth of an inch too big and they won't fit."

Another supplier gave him "two right sides of something instead of a right and a left," he said, "and I go back and they give me two left sides. At one shop, they start greeting me by saying, 'What mistakes can we make for you this morning, Mr. Outerbridge?'

"It's just one thing after another and it isn't just one supplier. Nobody seems to care any more."

At least two retailing giants have concluded that better service is clearly the competitive weapon of choice. The "Hi, how-are-you?" greeter has long been a front-entrance (and imitated) fixture at Wal-Mart stores across Canada and Safeway, with 1,378 supermarkets in the United States and Canada, has ordered employees to comply with a "Smile-and-make-eye contact" rule or risk disciplinary action, including dismissal. (Twelve employees in the United States—11 women and one man—have launched a grievance, claiming they are being propositioned by shoppers who mistake their warmth for a come-on.)

Other firms worried about declining sales are hiring consultants like Toronto-based Hepworth+Co to show them what they are doing wrong. "One of the main reasons why service is so lousy," says Hepworth executive vice-president Paula Mateus, "is that companies put so much focus on acquiring customers—on growth and acquisition; it's so much more attractive to get a customer than to retain one. Sales representatives never get incentives for keeping customers, but they get fancy commission cheques and trips and bonuses for getting new ones."

What customers want, she says, is access. "They want to get through when they call, they don't want busy signals, they don't want interactive voice systems telling them to push one for this and two for that—and they don't want voice mail." And if consumers do not get what they want? "Defect," Mateus advises. "Go to the competition."

And defectors are on the move—back to the future. Vancouver fund-raising consultant Madeleine Nelson, fed up with "'How are you?' and 'Have a nice day,' and all that crap," now deals mostly with local small businesses: "the Asian greengrocer, a Greek baker and a Greek fishmonger. They don't wear name tags, but I know them all by name."

The University of Manitoba's Warren says he now uses a neighbourhood bakery. Toronto-based political consultant Patrick Gossage says he is patronizing people who own their stores in the small town north of Toronto where he lives. Self-employed bookkeeper Bonnie Forey of Tsawwassen, B.C., has come to rely on a local garage. The reason? When she asked her dealership why her windshield washers failed to work after the vehicle had been checked, the serviceman replied: "They do work, they just don't squirt your windshield, they squirt the hood."

When she asked her dealership why her windshield washers failed, the serviceman replied: "They do work; they just don't squirt your windshield, they squirt the hood."

Amid the holiday season din and the clatter at the Elbow Room Cafe, in business since 1983, Patrick Savoie says: "Basically, people will pay to be insulted. We have developed this over the years, and each year I think we have got a little bit worse. What we are saying jokingly to our customers is what they would like so much to tell other people: to let off steam."

Adds co-owner Soheil Sadri: "One day, a gentleman and his wife were paying their bill and they said they had a complaint. They said I was too polite. They said they had come here to be insulted. I referred them to Patrick and he took care of them." With the practised vocabulary of the rudeness specialist. □

MANNERS PAST AND PRESENT

The discussion of customer service does not revolve exclusively around complaints. Among many people, the subject invokes nostalgia. "I remember the coal man coming, and what a nice guy he was," says Toronto-based consultant Patrick Gossage, who was press secretary to prime minister Pierre Trudeau. "He had a black face from the coal and he was part of our weekly social intercourse. I'd go down the cellar stairs with him and we'd have a chat. I remember thinking 'Boy, this is neat.' Of course, the milk man knew the kids, even knew their first names. And taking a cab used to be like having a chauffeur. Now, you take your life in your hands and you have to tell the guy how to get to where you want to go."

What TVOntario chairman Peter Herrndorf misses most are doctors who made house calls. "With two kids in the house, it's a real issue. It gave you a degree of comfort if you had a doctor who did that kind of stuff."

Laval University professor Andrée Roberge remembers the time when the clerks in hardware stores "could explain how to choose a product and how to use it and if you brought in a part from something, they could tell you how to replace it. This is no longer the case."

Dawn Russell, dean of law at Dalhousie University in Halifax, says: "I remember being a chambermaid when I had just graduated from high school and was trying to earn money to go to college. I always tried to do the best at whatever I did, I always tried to do it well. Today, you have to wonder about the ethic in our society, not just in young people."

But not all the happy stories belong to ancient history. On the eve of departing on vacation, Toronto insurance broker Lucy Sousa discovered that her camera was not working. She went to a photography shop where a technician took the camera apart, cleaned and reassembled it. He snapped and developed some random pictures to make sure everything worked and handed it back to her—at no charge. In Winnipeg, householder Lisa Taylor called a plumbing contractor and told him she thought her heating-system boiler needed to be replaced (estimated cost: $4,500). But he checked and said all she needed was a metal bracket. The bill: $78.11.

The door-to-door milkman may be gone, says Michael Pearce, director of the University of Western Ontario's undergraduate business program, but people now can shop on the Internet, "Where you go online, tell the store what you want and they deliver it." University of Toronto economist Michael Berkowitz points to the coffee shop chains, "Where people can actually go and talk and we didn't have those years ago. You can sit there and read your paper and you don't get chased out." The University of Manitoba's Robert Warren says international couriers have been a boon to individuals and businesses "fed up with surly post office employees and not having their letters arrive on time."

And while many complain loudly about lineups at the banks, others have eliminated the aggravation by switching to Internet banking services. "I don't stand in line any more," says Neil Loomer, publisher of the periodical *Edmonton Jewish Life*. "I can sit at my computer in my office and pay all my bills, transfer money and check my balances without ever standing in line again."

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The tough lot of a car buyer



Kicking the tires in Halifax: customers are reluctant to buy new, even with dealer incentives

Buying a car used to be fun. Having settled on the make and model, only a few deliciously difficult decisions remained. Red or black? Sunroof or tinted glass? Not any more. According to a Royal Bank of Canada study, it now takes 40 weeks to earn enough money to buy a new car, up from 30 weeks in 1988. That has led to a bad case of sticker shock for many would-be buyers and forced desperate dealers to offer a veritable blizzard of incentives. But by the final quarter of 1998, even that wasn't working. Last week, while in Calgary for the Christmas break, 52-year-old Jeff Newland was looking for a new car to replace his 1994 Chrysler Le Baron convertible. The Wainwright, Alta., reporter had seen all the blaring ads—no GST, no money down and no interest for 90 days—but was unimpressed. Instead, he was drawn into a Ford dealership by a 1999 bright green Mustang convertible priced close to his budget—$30,300. Unable, in the end, to strike a satisfactory deal on financing, Newland says he is going to wait. "You can have all the gimmicks in the world," he says, "but to me it still comes down to the basics, a fair price and a good warranty."

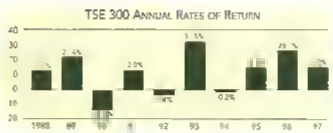
Sounds simple, but buying a new car today has become a cause for angst and confusion. The underlying problem, according to Dennis DesRosiers, president of DesRosiers Automotive Consultants in Richmond Hill, Ont., is affordability. High prices are forcing consumers to go longer than ever without buying a new car. "The average age of their vehicle is almost nine years," he says. "They have also put on a record number of kilometres this year. But the consumer's ability to buy is as bad as ever." One solution is to lease, even though the final cost can be much higher than buying. About half of new cars are now leased, compared with only four per cent 10 years ago. Largely because of the shift to leasing, manufacturers enjoyed double-digit increases in revenue in 1997 and most of 1998.

But last October and November, as worries over economic instability mounted, sales fell sharply: the average slide was six per cent, with Ford Motor Co. of Canada Ltd. dropping by 25 per cent. That added even more fuel to the incentive frenzy last month. The net result, however, seems to be only more confusion. "It's a jungle," says Mohamed Bouchama, regional director in Toronto of the Canadian Automobile Protection Association. "The dealers don't care. Their job is to sell, get a commission and move on to the next person. It's like an assembly line."

So unpleasant has car buying become, that more and more consumers are turning to middle men to find a car. Jim Davidson, pres-

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PERSONAL FINANCE

ident of Toronto-based CarSmart Inc., has built a thriving business as a go-between, negotiating with the dealers on behalf of clients willing to pay up to $700 for his service. "Our customers don't dislike buying cars," he says. "They absolutely loathe the process. They just want it to go away."

For those stuck shopping on their own, Davidson has some advice. First, check out magazines like *Consumer Reports*. Second, visit manufacturers' Web sites to get an idea of a car's features and the list price. Then, visit every possible dealer, but, warns Davidson, "leave your wallet and chequebook at home." A decision should only be made after considering all the options, away from the dealer's influence.

If a customer can afford it, low rate financing is far preferable to leasing, Davidson says. On a vehicle that costs between $25,000 and $30,000, a typical four- or five-year manufacturer's loan can save a buyer $3,000 to $5,000, compared to bank financing. But people choke, Davidson says, when they see the monthly payment of $600 to $700. A lease looks more attractive because it is likely to be in the range of $300 to $400 per month. Consumers, however, should be aware that it costs more to buy a car at the end of a lease than the vehicle is worth.

Another option, suggests the Automobile Protection Association's Bouchama, is to look for a good domestic model being sold by a reliable dealer after a 24-month lease. Two-year-old vehicles like the popular Ford Windstar minivan are priced around $16,000, compared with about $26,000 new. He considers Japanese imports in the same category to be overpriced.

The manufacturers and dealers say they are doing their part to keep prices and financing costs in line. Some have announced slight cuts this year, such as General Motors of Canada Ltd., which dropped sticker prices by 0.8 per cent, or $235 on new models. Others, like Toyota Canada Inc., which increased prices by 0.6 per cent despite a 26-per-cent rise in sales, have kept increases at modest levels. Chrysler Canada Ltd. has raised prices by one to three per cent, pushing the average cost of its 1999 models to $28,450.

According to Huw Wilhams, spokesman for the Ottawa-based Canadian Automobile Dealers Association, higher prices are partly due to safety improvements, such as airbags, and emission controls. "People are expecting more from their vehicles than in the '70s and '80s,' he adds. "They want things like power windows and keyless entry." Wilhams says the industry is trying to improve its image by offering programs such as a Web site that explains the pros and cons of leasing. In the end, though, the only real options for many consumers may be a choice between empty pockets and the bus.

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Peter C. Newman

Introducing the man who can unite the right

And so we welcome the Year of the Millennium. Historically, these occasions are seldom calm or comforting. Humans seize on the departure of old centuries and the arrival of new ones to spawn strange ideas and feel even more antsy than usual.

There will, of course, be heard across the land the cry of two groups who believe the world will end sharply at midnight, on December 31, 1999. There will be the religious fanatics who will use any excuse to call it quits, so they can depart for extraterrestrial havens with an audience for their ravings. They will be joined by nerds and techies, convinced the world will come crashing down as computers self-destruct, unable to cope with the three zeros in the new year designation. That could well happen, but a return to the pre-computer world holds no terror for me. It's back to my faithful old Remington upright, somehow triggered to jam whenever my metaphors get out of control.

For most of us in this Millennium Year, the world will not end, but a new one will begin. Still, I can think of several politicians whose world I would like to see terminated in the year ahead. At the top of my list is Bill (Slick Willie) Clinton. Now, it's one thing to have an affair, and it's a lot worse to lie about it. But to launch a war in the hope of covering your tracks, that was a bit of an overreaction to a bungled "sexcapade." (Presumably he is hanging on to office so that he gets to audition this year's crop of fresh White House interns.) Clinton's attempt to turn the satirical film *Wag the Dog* into reality didn't work. He must leave office, as Jean Chrétien is so fond of saying, "the better the sooner."

> He is a right-winger who can tame Reform's fringes and lead an anti-Chrétien party to office. He also is a Liberal.

Our prime minister is another of my candidates for early departure in the year ahead. As he begins his sixth year in office, it's painfully obvious he has no intention of fulfilling the two electoral mandates he won from Canadian voters by promulgating a fresh vision for the country. Instead, he will continue to do nothing much except show up for work most mornings, occasionally pausing to advise that we "don't worry, be happy." That may have been OK for the 20th century, but it won't do for the 21st. The Millennium ought to provide the moment for Canada's federal politicians to seize a rare opportunity. As a defining marker in our personal and collective lives, it ought to signal political renewal, endowing this country with the enlightened government it deserves.

That means dealing with the gap between rich and poor, taking on such environmental issues as outlawing the chemicals we still pump into the atmosphere, negotiating a final and lasting rapprochement with Quebec; revamping our health-care system so that its main emphasis is less on uniformity of process than on successful outcomes, thereby finding a way to keep within our borders the $1 billion a year Canadians now spend in the United States to avoid those long and occasionally deadly waiting periods.

The glacial nature of political change in this country must be thawed to allow measured but timely responses to the forces of change gathering speed all around us. That will mean new rules and new rulers. It will require politicians who thrive on truth instead of elastic renderings of the facts, who place values ahead of promises, and become known for their sterling character traits, instead of their slippery personalities. In other words, if in the future we get the politicians we deserve, let's make sure this doesn't become—as it assuredly is now—a reality too painful to endure. We must put in place a sane tax system that doesn't drive our best brains out of the country. But above all, we must celebrate the Millennium by grabbing onto a new vision for the new century. Chrétien is simply not up to it.

Since the Tories opted for oblivion by tying their future to Joe Clark, that leaves those Canadians fed up with the Chrétien government with an unattractive option: uniting the right under Preacher Manning. It's an impossible dream. The urbanites of Central Canada will never vote for a party that collects campaign funds from the audiences at its rallies in Colonel Sanders chicken barrels.

That leaves only one possibility. A new moderate leader must be recruited to steer a reformed and all-embracing alternative party to power. He must be loaded with integrity, be modern in his outlook, quick on both feet, articulate in both official languages, fiscally wise, and yet possess the kind of populist impulses that will play well on the Prairies and British Columbia. That narrows the field to only one candidate: Paul Martin.

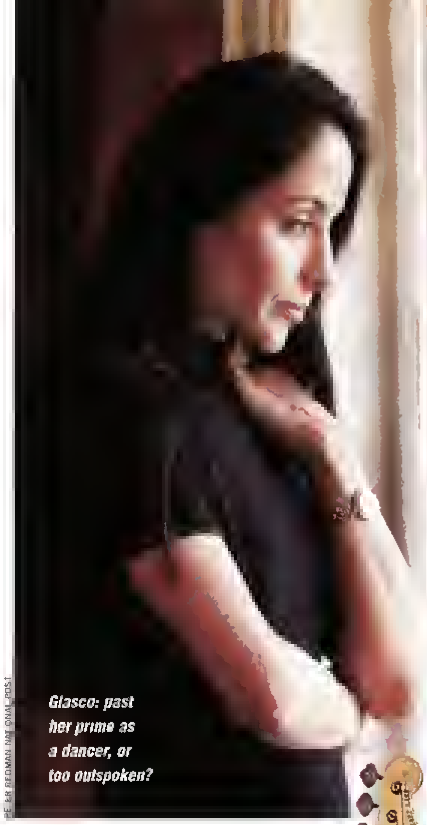
Having demonstrated his populist roots by turning down the merger pleadings of the big bad banks—and being reasonably certain that Chrétien will not follow my advice and leave peacefully in the foreseeable future—Martin is ideal for the job. As a certifiably right-wing Liberal, he alone can tame the resident crazies still occupying the Reform party's fringes, and lead an anti-Chrétien alternative party into office.

I would like to think that this is about as crazy an idea as has been floated in this column since I suggested Kim Campbell would make a great prime minister. (I still think she had the right credentials as a witty, new generation woman from British Columbia.) When I was touring recently trying to persuade the staid burghers of Alberta to buy my book on Canada's new titans, I spoke to an Edmonton luncheon group. It was a typical, salt-of-the-earth Alberta audience of middle-class folk worried about their country. When I hesitantly suggested Paul Martin's name as head of a reformed United Alternative, instead of laughter, the room was dead still, except for a lot of nodding heads.

It could only have been an epiphany or vintage Millennium Madness.

People

Edited by
TANYA DAVIES



Glasco: past her prime as a dancer, or too outspoken?

The calendar girl

When people open up their glossy 1999 National Ballet of Canada calendars, they may be surprised to see a photograph of **Kimberly Glasco** gracing the January page. Last month, artistic director **James Kudelka** informed 38-year-old Glasco that her contract with the National would not be renewed in June. The reason she was dismissed, says Kudelka, was that choreographers were not selecting her for parts and he considered her past her prime. However, Glasco, whom critics have called one of the finest ballerinas in Canada, says that she was fired for "advocating prudent fiscal management." As the dancers' representative on the ballet's board of directors, Glasco was opposed to creating a $2-million production of *Swan Lake* to premiere in May, when the company is already $3 million in debt. She is threatening legal action, saying in a written statement, "What I want is simple. I want *my* job back."

A native of Eugene, Ore., Glasco graduated from the National Ballet School in Toronto. She joined the company in 1979, rising to principal dancer in 1987. Ironically, her biography in the official annual program raves that Glasco is "a favourite of many of the world's top contemporary choreographers." As for the calendar, which features all the National's principal dancers, **Julia Drake**, director of public relations with the ballet, says there is no reason for Glasco not to be included. "She is on the roster until the end of June," she explains, "and will continue to appear in productions until then."

A rare rock 'n' roll silver anniversary

Few bands, it seems, can endure the vagaries of rock 'n' roll for long. Endless tours, personality clashes and royalty squabbles ultimately take their toll on most. So what is **Rush**'s secret? The legendary Canadian rock group—made up of bassist **Geddy Lee**, 44, guitarist **Alex Lifeson**, 44, and drummer **Neil Peart**, 45—has been together for 25 years, playing its brand of "progressive" rock to fans around the world. According to Lee, the secret lies in the bonds of friendship the three members forged back in the late 1960s and early '70s. "I've known these guys for most of my life," says Lee, about the group, which formed in Toronto and has sold 30 million albums. "We're like brothers, but without the baggage that family relationships sometimes have." The size of the band has also helped. "There's no factions with three people," he adds. "We can have a meeting in the back of a car."

To document its history, Rush has just released *Different Stages*, a live, three-CD set that features concerts from 1978 to the mid-'90s. "Our fans are incredibly loyal and have a great curiosity as to the shifts and shapes that our music has taken over the years," says Lee. "This is really a souvenir for them." Meanwhile, the band is in performing limbo. Peart has suffered two tragedies recently—last year he lost his wife to cancer and his teenage daughter in a car accident—and Lee admits that he doesn't know what will become of the band. Out of respect for Peart, he says "there are no plans. Our concern is only for our friend."

Lee: latest CD is 'a souvenir' for Rush fans

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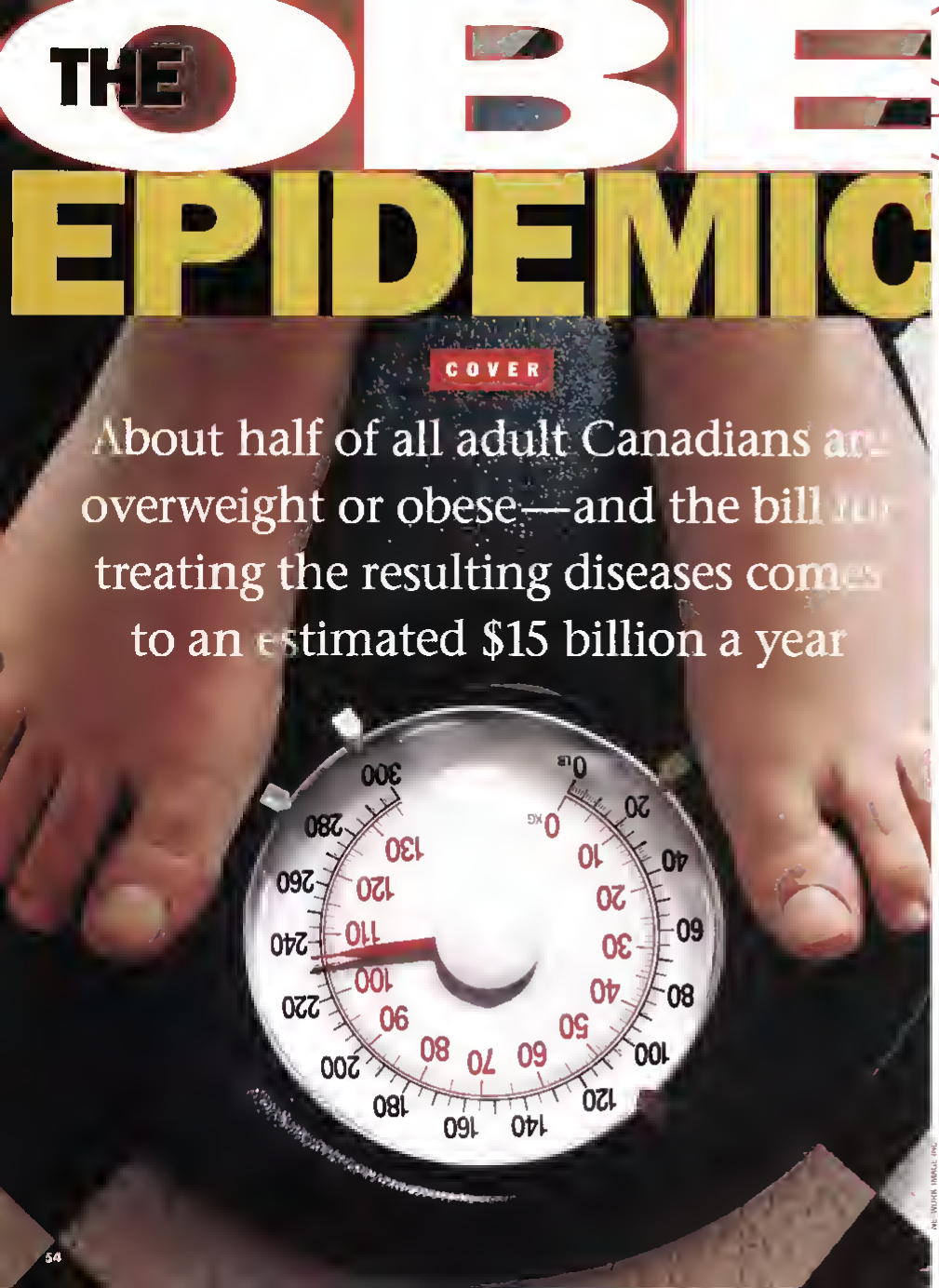
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THE OBESITY EPIDEMIC

COVER

About half of all adult Canadians are overweight or obese—and the bill for treating the resulting diseases comes to an estimated $15 billion a year



BY MARK NICHOLS

CHRISTINE BLYTHE HAS been overweight for much of her life. For many years, she says, she shrugged off sneers and insults and accepted the fact that she had a hard time finding jobs because few employers wanted to hire a fat person. Now, Blythe, who lives in Trenton, Ont., where her husband, Mark, is an airframe technician at the Canadian Forces base, runs her own secretarial and desktop publishing business. And she weighs more than she ever has—Blythe guesses she is carrying more than 225 lb. on her five-foot frame, but does not know the exact figure because she has stopped weighing herself. And she has run out of patience with the jibes. The reason: her children, Erin, 6, and four-year-old Stuart, are taking the heat—other kids and even their parents ridicule the Blythes because of their mother's size. "I'm always having to explain and excuse my weight to my children," she says. So instead of accepting the slurs, Blythe, 39, has taken to confronting adults and children about their attitudes. "I think I'm OK the way I am, and my children have a lot to be proud of in their mother," she says, "if only society would let them see beyond my physical size."

Angry though she is, Blythe is also bemused by the fact that she is scorned for her size in a world where being overweight is an increasingly common condition. Health officials point with alarm to an epidemic of obesity they say is sweeping the world's industrialized nations. Though international data are sketchy, Canada appears to have one of the worst problems—along with the United States and Britain—with about half the population weighing too much. The ranks of the overweight include a distressingly large number of chubby children, with statistics showing that obesity among young people is growing even faster than in adults.

And physicians warn that the growing ranks of overweight and obese Canadians carry a costly price tag. Treating a formidable array of obesity-related medical problems, experts say, costs somewhere in the region of $15 billion a year. "We are facing an epidemic of gigantic proportions," says Claude Bouchard, an obesity expert at Quebec City's Laval University, who estimates that obesity may be the underlying cause of one out of every five deaths in Canada. Health officials estimate that obesity causes at least three-quarters of diabetes cases, and a third of cardiovascular problems, including many strokes. In fact, U.S. researchers say the seriously overweight have a 75-per-cent greater risk of having strokes than those of normal weight. Being overweight can also lead to numerous other problems including gall bladder disease and joint problems (page 57).

To combat the growing public health problem posed by obesity, a group of experts plans to inaugurate a Canadian obesity network in March, linking doctors and medical organizations. The goal, says Dr. David Lau, chief of endocrinology and metabolism at The Ottawa Hospital, is "to mobilize health professionals and ordinary Canadians to begin fighting this expensive and expanding problem."

Faced with the gloomy news from their bathroom scales—and chiding from their physicians—Canadians are sweating in gyms and signing up for weight-loss programs, or at least trying to abide by New Year's resolutions to do something about their weight. But a survey suggests that while close to half of North Americans vow each year to lose weight or change their eating habits, only 14 per cent keep to their resolutions through the year. A random survey of 1,000 adults by TOPS (for Take off Pounds Sensibly) Club Inc., a Milwaukee-based non-profit support organization, found that about 59 per cent of women make weight-related resolutions, compared with 32 per cent of men, but that men are more likely to follow through. Meanwhile, many of the overweight turn to self-help organizations such as Overeaters Anonymous, gathering regularly to share their feelings of being powerless in the presence of food. Some of the fleshiest are desperate enough to try extreme solutions including costly liposuction procedures that vacuum unwanted fat from bloated bodies (page 60).

Some people of size are waging a different kind of war—campaigning against the bigotry they say fat people routinely encounter in North American society (page 62). Helena Spring, head of the Toronto-based Canadian Association for Size Acceptance, says her group—which has attracted a membership of about 500 since its founding last October—wants to make Canadians more tolerant of fat people. "I've had total strangers grab things out of my supermarket cart," says Spring, who will not give her current weight but says she once tipped the scales at nearly 400 lb. "They tell me 'You don't need this—you're too fat.'"

Sally Smith, executive director of CASA's much larger American counterpart, the 29-year-old Sacramento, Calif.-based National Association to Advance Fat Acceptance, argues that negative attitudes towards fat people are fostered by North America's $55-billion-a-year weight-loss industry and by ubiquitous images in the media of pencil-slim women and washboard-bellied men. "We're tired of being discriminated against," says Smith, who says she weighs about 350 lb. "We feel we should be accorded the same dignity as average-sized people."

These days, surveys show, "average" in Canada means overweight. Separate polls published in 1997 by Health Canada and the Toronto-based research firm Pollara showed that more than half of

Health risks

Being overweight or obese can lead to serious medical and psychological consequences, including:

- **DIABETES**
- **HEART DISEASE**
- **HIGH BLOOD PRESSURE**
- **STROKE**
- **RESPIRATORY PROBLEMS**
- **GALLSTONES** (especially in women)
- **OSTEOARTHRITIS**
- **CANCER** prostate and colon in men, breast, endometrial, ovarian and gall bladder in women.
- **PSYCHOLOGICAL RISKS** depression, social isolation, low self-esteem.



LOSING WEIGHT IS THE BOOK ... with 28 teleph... representing ... lb. she lost by la... gust

adult Canadians are overweight. Many are close enough to an ideal weight that they can deal with the problem with a little extra effort to eat well and keep active. But many others are facing a much more difficult challenge.

Defining degrees of fatness in terms of the Body Mass Index, a widely used computation based on height and weight, the drug company-sponsored Pollara survey—which was based on more up-to-date data than Health Canada's—found that while 17 per cent of Canadians were merely overweight, 29 per cent were obese (above 167 lb. for anyone at a height of five feet, six inches) and five per cent severely obese (216 lb. or more).

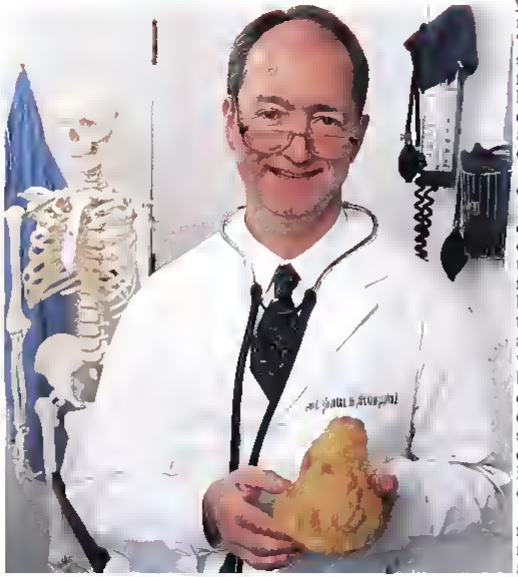
The numbers are borne out by what Canadian physicians see daily in their offices. "Between 30 and 50 per cent of my patients are overweight or obese," says Oshawa, Ont., general practitioner Dr. Paul Whitsitt. "And I see the complications that come with being overweight." Whitsitt estimates that perhaps 80 per cent of patients suffering from Type II diabetes, a slow-developing form of the disease that usually strikes people over 40 and often can be controlled without insulin injections, are too fat.

Why are so many people packing on pounds? Most experts blame the sedentary habits and high-calorie diets prevalent in industrialized nations—or as Dr. David Jenkins, a University of Toronto professor of medicine and nutrition sciences, puts it, "sloth and gluttony." Much of the problem stems from the



The body is designed to store fat for periods of scarcity

ATTITUDES TOWARDS SIZE Blythe with her son, Stuart, and her daughter, Erin (top); Birmingham in his St. Paul's Hospital office holding a plastic model of a pound of fat



fact that modern humans are equipped with biological systems adapted for survival in the feast-or-famine world of humankind's hunter-gatherer forebears. Cells in nearly every part of the body are designed specifically to store fat as an energy source for periods of scarcity—when their owner overeats, fat cells can swell to many times their normal size. Overweight and obesity problems develop when the body consistently consumes too much fuel in the form of food for the amount of energy expended. And it matters what kind of food is consumed—because it takes less effort for the body to store energy from fat, a gram of it counts for nine calories, compared with only four calories per gram of carbohydrates or proteins.

According to Bouchard, an exercise physiologist who has become an internationally recognized authority on obesity, physical inactivity is probably the single most important part of the equation. Abundant food supplies and urban lifestyles built around cars and transit systems, elevators and escalators are at the core of the crisis. "Mankind's war on muscular effort over the centuries has been largely won," says Bouchard. "Most of us expend about 300 to 400 fewer calories in energy output each day than we did half a century ago."

Rather than urging patients to go in for rigorous dieting, the mantra of doctors and obesity experts today is lifestyle change built around moderate eating habits and a stepped-up level of physical activity. "It's fundamental that we don't put people on diets as such," says Dr. Laird Birmingham, an internist who runs a weight-loss clinic at Vancouver's St. Paul's Hospital. "We want people to eat three meals a day and a couple of snacks—with the emphasis on moderate quantities, low-fat food and plenty of fruit and vegetables. Eating is a learned behaviour, and if you can change your eating habits for a few weeks, the body will adapt." As for exercise, while doctors encourage patients to stay fit with regular workouts, they also make the point that even light exercise can help to control weight. "I ask patients to aim at 30 minutes of increased physical activity a day," says Whitsitt, "which they can get in ordinary ways—climbing stairs instead of taking the elevator, working in the garden, walking to work instead of driving."

The moderate approach centred on lifestyle changes rather than draconian diets is shared by most commercial weight-loss businesses. "There's no magic bullet," says Marguerite Neri, general manager for southern Ontario at Weight Watchers, a Woodbury, N.Y.-based chain that has about 40,000 paid-up members who attend weekly meetings across Canada. "We try to get people to eat balanced meals, cut down on fatty foods and be more active, by walking more or riding bikes. You don't have to go to a gym." (Average cost for a six-month Weight Watchers program: about $350.) Jenny Craig, another U.S.-based chain with about 30 outlets in Canada, follows a similar weight-loss recipe but adds another ingredient: clients can buy their food from Jenny Craig, paying around $72 a week for packaged and frozen low-fat, low-calorie meals.

The scheme worked for Doris Barkley, a Vancouver insurance consultant. Barkley had been battling weight problems for most of her life, but it was during the early 1990s, when a job promotion increased on-the-job stresses, that her weight *really* took off. "When I'm stressed or angry," she says, "I tend to reach for food." For years, Barkley avoided weighing herself. But she learned the nasty truth in April, 1995, when she signed on with Jenny Craig. "I weighed in at 263½ lb.," she recalls. Since then, Barkley says she has become more physically active than she ever was before, and she eats a good deal less. Now a relatively svelte 171 lb. on a five-foot, five-inch frame, Barkley, 53, hopes to lose another 10 lb.—and is determined not to become severely obese again. "If I'm not vigilant,' she broods, "all that weight could come back again—and I don't ever want that to happen."

The fact remains that for many people, attempts to get rid of unwanted weight seem doomed to failure—or at best, a temporary improvement that soon disappears. The problem, experts explain, is that even the most user-friendly weight control systems result in the body getting fewer calories than it is accustomed to—and it reacts by slowing its metabolic activities to save energy. When that happens, weight loss levels out—and, in despair or disgust, many people go back to their old eating habits. It happened to Laura (not her real name), a 36-year-old Halifax mother of two who has struggled with weight since high school. During the early 1990s, Laura relates, she repeatedly joined a weight-control program and each time lost between 10 and 15 lb. before succumbing to food cravings. "It's like someone who's decided to break off an affair," she says, "but you think you can go back once a month for a quickie." For Laura, each lapse led to another weight gain. Now, the five-foot, five-inch woman, who regards herself as a compulsive eater, weighs about 180 lb.

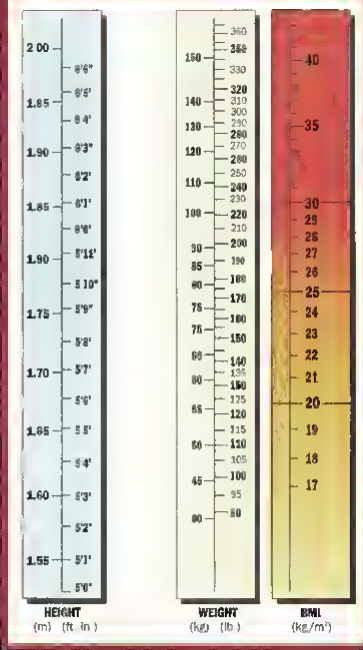
For many of the overweight, diets based on severe calorie restriction lead inexorably to the yo-yo cycles of shedding and regaining pounds. "We think of dieting as the first step towards an eating disorder" such as bulimia or anorexia, says Margaret

WEIGHT AND HEALTH

Most physicians today are aware of the serious medical problems that can result from being overweight. But it was different a generation ago. Dr. James Brooks, a general practitioner in Toronto, recalls that when he was a medical student in the 1960s, "We weren't taught very much about weight control and obesity." Even so, he adds, a doctor of that period confronted by a seriously obese patient might be alarmed. In which case, the physician could consult a set of tables distributed by the Metropolitan Life Insurance Company, which set out desirable weights for men and women based on actuarial data on mortality. MetLife still publishes the tables, but doctors are now equipped with more sophisticated ways of assessing healthy weights. The current guidelines are based on the Body Mass Index, a system originally developed by Belgian statistician and astronomer Adolphe Quételet in the 1840s. Adopted by Health Canada as a national standard in 1988, the BMI uses a simple calculation of weight and height to arrive at a desirable weight range for each individual—and points to the health risks that can come with unacceptably high weights.

Some experts argue that doctors need to look beyond the BMI. Because abdominal fat concentrations can increase the risk of diabetes and heart disease, says Jean-Pierre Després, a researcher and professor of nutrition and medicine at Quebec City's Laval University, physicians should check waistlines. For men and women under 40, he adds, a waist measurement of 39 inches or more, regardless of height, can indicate a significant fat accumulation. Although it is natural for abdominal fat to increase with age, adds Després, people should try to prevent that from happening. "It is bad news," he says, "when your waistline goes up over time."

USING THE BMI CHART



The Body Mass Index uses height and weight to determine how close a person is to a desirable weight. Extend a straight line from your height through your weight and into the BMI column. The results:

30 AND OVER
You may be at risk of serious weight-related problems.

BETWEEN 25 AND 30
You may be at some risk of weight-related problems.

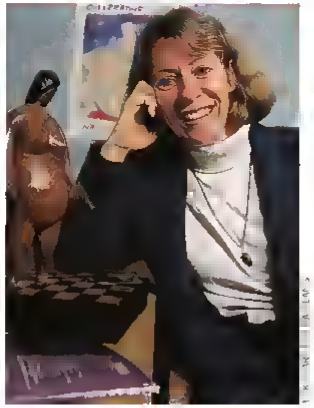
BETWEEN 20 AND 25
You are in the ideal zone for good health. A BMI under 20 can be linked to health risks.

Beck, acting director of the Toronto-based National Eating Disorder Association, "because they create such a physical and mental preoccupation with eating." And there is some evidence, says Donna Cliska, an associate professor of nursing at McMaster University in Hamilton, that yo-yo dieting can sometimes permanently turn down the body's metabolic rate so that fewer calories are burned, "and you actually wind up heavier than when you started."

Dr. Moe Lerner, a Winnipeg physician who specializes in emergency and family medicine, thinks the psychological profile of many fat people makes it difficult for them to slim down. "All their lives," he says, "fat people feel that they are physically and emotionally starving. I don't think anyone who is obese enjoys food, but they *need* it." Lerner, 45, has had plenty of experience with obesity: as a lonely medical student at the University of Manitoba during the 1970s, he began gaining weight and currently carries about 450 lb. on his six-foot frame. A frequent talk-show guest and something of a celebrity in North American obesity circles, Lerner is skeptical of medical theories about obesity. "It's all very well to talk about lifestyle changes," he says. "But 95 per cent of those who lose weight wind up putting it on again."



'All their lives, fat people feel that they are physically and emotionally starving'



THE RISKS AND FALLACIES OF DIETING Lerner in his Winnipeg office (top); Cliska in Hamilton

Most orthodox physicians are similarly unimpressed by the current crop of fad diets trumpeted in best-selling books like *Sugar Busters!* and *Mastering the Zone*, which point to carbohydrates as a dangerous source of insulin-raising sugar and extol high protein diets built around meat and animal fats. Such diets, says Toronto's Jenkins, may help some people lose weight, but they fly in the face of evidence that diets rich in fruit and vegetables promote good health. "There is very good data showing that eating fruit and vegetables correlates with less heart disease, diabetes and some types of cancer," he says. "But where are the long-term studies showing that meat can do that? I haven't seen any."

For some people, a propensity for putting on weight comes with their genetic inheritance. Doctors estimate that only a fraction of one per cent of the obese are afflicted by any of 30 or so rare genetic diseases, including several that result in mental and behavioural problems, along with obesity. Scientists also suspect that some fat people have mutations of genes connected with the hormone leptin and its receptor, which play a crucial role in obesity control. But last year, a research team under Bouchard turned up another genetic problem that may affect up to 40 per cent of Canadians. The problem crops up in a gene that is needed for the functioning of the hormone cortisol, which helps control the body's energy balance.

People who inherit flawed copies of the gene, but eat moderately and keep active, will probably not be greatly affected. But among those who eat too much and exercise too little, the faulty gene can speed fat accumulation, particularly in the abdominal area. As it happens, many experts regard waistline fat as the most dangerous kind. Jean-Pierre Despres, another Laval researcher, says that an overly fleshy belly, by channelling too much fat into the liver, can increase the risk of cardiovascular disease and diabetes.

Some physicians believe that many of the obese need pharmaceutical help. Yet effective anti-obesity drugs have been in short supply since Redux and Pondimin, key ingredients in the appetite-depressing "fen-phen" drug combination, were pulled off the market in the fall of 1997 after doctors linked them to potentially fatal heart problems. Fen-phen became wildly popular in the mid-1990s, with North American doctors writing millions of prescriptions for Redux (dexfenfluramine) or Pondimin (fenfluramine) along with the amphetamine-like drug phentermine. Their withdrawal leaves no prescription weight-loss drugs on the Canadian market. Proponents of natural remedies say that some herbal products, such as ephedrine, a plant extract that reputedly can stem hunger pangs, can help.

Now, new drugs are on the horizon, including Meridia, a Prozac-like appetite control capsule that has been available in the United States for over a year, but has yet to win approval from Health Canada. Another promising medication is awaiting clearance by U.S. and Canadian regulators: orlistat, a drug designed to prevent the body from breaking down and absorbing fat. Clinical studies in Europe showed that participants lost 10 per cent of body weight after using orlistat for a year. The drug can have nasty side-effects in the form of abdominal pains and oily stools—but some doctors think those very qualities will help to keep people who use the drug from eating fatty foods which make those problem worse.

In another approach, U.S. researchers are trying to determine whether leptin injections can help take off pounds. Because fat people develop resistance to the hormone—which signals the brain about the state of the body's fat reserves—researchers reasoned that a leptin boost might make them less prone to overeating. In trials involving 127 obese and slim patients, doctors reported that some—but not all—obese patients who had daily leptin injections lost up to 40 lb. over a six-month period.

A pill to cure obesity is the kind of thing Arlene Lind, an Edmonton hospital receptionist, dreams about. "I've tried pretty well every diet there ever was," she laments. "I've lost weight and then put it on again dozens of times." She has tried drugs and even intestinal bypass surgery. But despite all her efforts, the five-foot, four-inch Lind now weighs about 180 lb. "I still keep thinking I'll find a way someday to lose weight," she says. But in the meantime, she has reluctantly come to terms with her size. Like Christine Blythe and other overweight women, she resents "being snubbed by people who feel superior to me—I'd like to give them a swift kick." But she is no longer struggling to get slim. "I'm just trying to enjoy life," she says, "and keep my weight stable—that would be an accomplishment in itself." And worthwhile first step for the growing number of Canadians who keep piling on unwanted pounds.

With SHAUNE MacKINLAY in Halifax

OOOLY ENOUGH, GETTING YOUR SCHEDULE STRAIGHT HELPS YOU KEEP YOUR PRIORITIES STRAIGHT.

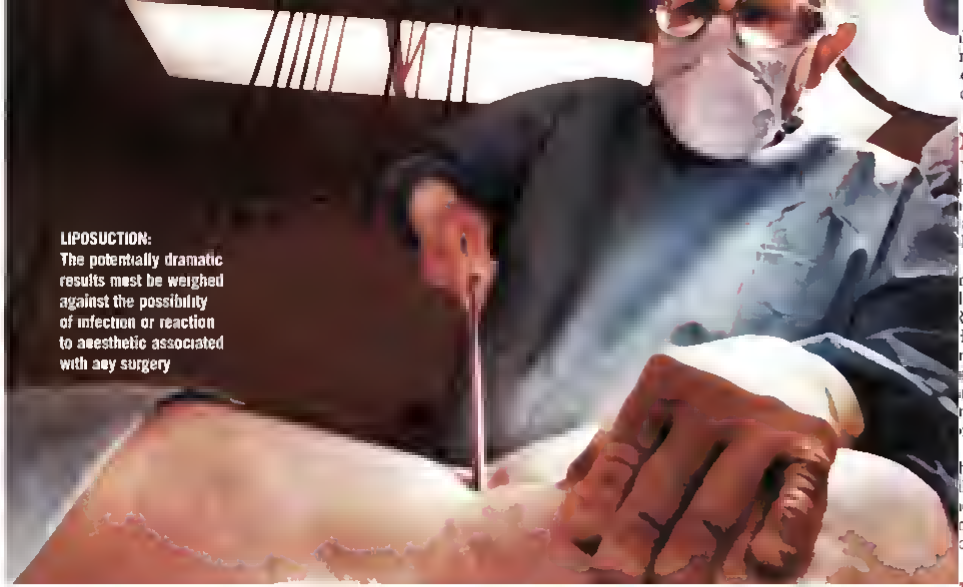




Palm III
Connected Organizer

It fits in your pocket. It's elegantly simple. The Palm III™ connected organizer keeps names, phone numbers, schedules, memos and e-mail right at your fingertips. And HotSync® technology lets you exchange all that information back and forth with your PC. You can even personalize your organizer with thousands of available applications. Wherever your life takes you, your Palm III organizer can come along. Palm Computing® connected organizers start as low as $349. To learn more visit www.palm.com or call 1-800-881-2529.

3Com More connected.



LIPOSUCTION: The potentially dramatic results must be weighed against the possibility of infection or reaction to anesthetic associated with any surgery

COVER

EXTREME ACTS

Drastic shortcuts to slimness carry their own risks

Until scientists develop the ultimate magic bullet—a diet pill that is not potentially lethal, or at least one with benefits that clearly outweigh the side-effects—many overweight people will turn to strange or just plain dangerous alternatives. One U.S. study revealed that 24 per cent of women questioned would give up three years of their life to achieve their weight goals. A sampling of some of the alternative methods.

PILLS AND POTIONS:

Something safe and easy to swallow is the Holy Grail of the diet industry—and so far the search has been equally elusive. But the quest continues, with drug manufacturers spending millions in hopes of capturing a healthy slice of the $60-billion-a-year North American diet industry. Doctors first prescribed diet pills in 1910, with ingredients that included arsenic and strychnine. Amphetamines became popular in the 1940s after it was discovered that the drugs, given to Second World War fighter pilots to keep them alert, also suppressed appetites.

A more recent fad in the United States was the drug cocktail fen phen, which was never approved in Canada. In September, 1997, the U.S. Food and Drug Administration asked manufacturers to voluntarily recall one of its key ingredients, fenfluramine, after studies linked it to heart-valve abnormalities. (Phentermine, the "phen" part, is still legal, but sales have plummeted.) Since then, the FDA has approved—against the advice of its own advisory committee—Meridia, which has side-effects that include increased blood pressure and pulse rate.

Meridia's manufacturer, Knoll Pharmaceutical Co., has not received approval from Health Canada. In fact, over weight Canadians do not have access t many of the over-the-counter drugs avai able to Americans. A Health Canad spokesman said that one of those drug Dexatrim, failed to gain Canadian approva 10 years ago because the agency was no convinced the risks associated with th ingredient phenylpropanolamine out weighed its benefits. There are other prod ucts with phenylpropanolamine availabl on U.S. shelves, but the manufacturer have not tried for approval in Canada sinc Dexatrim's rejection, she added.

Still, Canadians are not without re course—provided they are willing to tr herbal or homeopathic remedies. A trip to a health-food store o to many pharmacies reveals an array of reducing teas, diet drink and vitamin supplements. Some have common elements, includin oat fibre or cayenne pepper (hot foods increase the basal metaboli rate, the rate at which the body burns calories). Others contain mor exotic ingredients, such as ephedrine, a caffeine-like stimulant, o uva-ursi, a diuretic.

While it is easy to sip a beverage, pop a pill, it is not clear that the do the job, and the costs of continual use can add up. Most herbal sup lements are not regulated by Health Canada and there is little objec ive proof that they are safe and effective. One herb that has received cientific study, Garcinia cambogia, was declared ineffective by the ournal of the American Medical Association last October.

DEMON DIETS:

That's what Toronto dietician Rosie Schwartz calls any diet regimen hat promotes certain foods as having special virtues, eliminates certain nutritious foods claiming they are harmful, or advocates unusual ating patterns. "If a diet makes claims that are too good to be true," he adds, "it is just that."

That, of course, has not stopped some fad diets from being ex remely popular this century. (Dieting was virtually unheard-of before he wraith-thin flapper girl of the 1920s. 1890s pin-up girl actress Lillian Russell topped the scale at 200 lb.) One of the first plans was the 1930s Hollywood 18-Day Diet, a 586-calorie-a-day regimen of citrus fruit, melba toast and hard-boiled eggs. Since then, dieters have tried all sorts of fads, including the grapefruit diet, the Drinking Man's Diet (martinis and steak), and the Scarsdale Medical Diet, which outlined every morsel permitted in a week. It became so popular that some restaurants offered the plan. All waiters had to ask was, "What day are you on?"

For a would-be dieter uncertain how to proceed, such diets eliminate the guesswork of what to eat, and when. But according to nutritionists like Schwartz, that is exactly what is wrong with them: the dieter never learns to make the proper choices or how to gain control of eating patterns. As well, extreme dieting can be counterproductive, by fooling the body into thinking it has to store fat.

GURU GUIDELINES:

This category differs from the previous one only in the messianic zeal an individual can bring to touting a particular diet. Dr. Robert Atkins, who first hit it big in 1966, is back with *Dr. Atkins' New Diet Revolution*. The 1990s version no longer advocates pork rinds while limiting broccoli, but still goes heavier on protein than many nutritionists recommend. Dr. Dean Ornish pushes the standard recommendations of high-fibre, low-fat dieting to an extreme, claiming fat should account for only 10 per cent of daily intake, instead of the more standard 30 per cent.

Considering that some people bring an almost religious fervour to dieting, it should perhaps be no surprise that religion is in on the act. At least three Christian groups now hold weight-loss sessions in hundreds of churches in Canada. While their approaches to food differ greatly—one advocates only the raw fruits and vegetables that were available in the Garden of Eden, while the others allow participants to eat whatever they desire—their message is the same: turn to God before turning to food.

Gurus can help provide motivation, while their adherents can provide peer pressure. But as with demon diets, the adherents never learn how to make healthy choices on their own.

MECHANICAL METHODS:

Numerous studies, as well as lots of anecdotal evidence, show that regular exercise is absolutely crucial to losing weight and to preventing the pounds from returning. But for some people, that healthy approach is simply too much bother—so they turn to machines to do the work for them. In the 1950s sitcom *I Love Lucy*, Lucille Ball tried to sweat some pounds off in a steam box—a sight gag guaranteed to get laughs. In the 1960s, a motorized contraption with a large canvas belt that jiggled the offending body part was popular. The misguided theory was that the motion would break up fat cells, making them easier to excrete. The main result was patches of red, irritated skin.

A modern, high-tech version is the Electrical Muscle Stimulation machine found in some salons. Derived from medical equipment used to treat injuries, EMS sends a weak current into the muscles, causing them to contract and relax quickly. Advocates claim that a 45-minute session is the equivalent of, say, 880 sit-ups. While many salons do a brisk business, some of their customers find the experience unpleasant. "I absolutely dreaded going, but I was desperate," says one Mississauga, Ont., office worker. She went to six sessions before heading to the bathing-suit hell of a Caribbean vacation. "It did absolutely nothing for me," she says. "It was a major waste of money—and it *hurt*."

SURGERY:

For the morbidly obese, those who have a Body Mass Index of 40 or greater, surgeons have sometimes turned to extreme measures. At one time, they have included wiring patients' jaws shut so they could only ingest food through a straw. More recently, doctors turned to stomach stapling, which reduces the size of the stomach, effectively limiting the amount of food that can be eaten at any one time. Hollywood talk-show host Roseanne announced recently that she lost 75 lb. after having a balloon inserted into her stomach to accomplish much the same thing as stomach stapling.

A trendier surgical alternative is liposuction. It involves a surgeon inserting a tube connected to a high-vacuum device through a tiny incision to suck out fat deposits. When introduced in the early 1980s, liposuction was used mainly for contouring—getting rid of those last intractable five pounds of love handles, for instance. But now, according to Dr. Mark Godley, a Vancouver anesthesiologist and director of the private False Creek Surgical Centre, people use liposuction to jump-start a weight loss program. That change occurred as improvements in the technology allowed surgeons to vacuum out more fat than was previously possible.

With liposuction, the results are visible immediately. Still there are the risks, including infection or reaction to anesthetic, associated with any surgery.

Some people are so intent on achieving, and keeping a lean physique, that they are willing to literally make themselves sick. The ancient Romans started it with their vomitoria. Of course, their goal was not so much to lose weight, as to be able to continue stuffing themselves at their lavish banquets. The modern equivalent, bulimia, is a serious eating disorder that affects mainly women aged 14 to 25. The cycle of binging and purging can result in dental problems, extreme sensitivity to cold, hair loss and cessation of menstrual cycles. It can even prove fatal. When it comes to dieting, the end cannot always justify means.

BARBARA WICKENS



HERBAL FAT FIGHTERS: Pharmacies offer an array of reducing teas, diet drinks and vitamin supplements, but they are unregulated by Health Canada and there is little objective proof that they are safe and effective in helping people lose weight

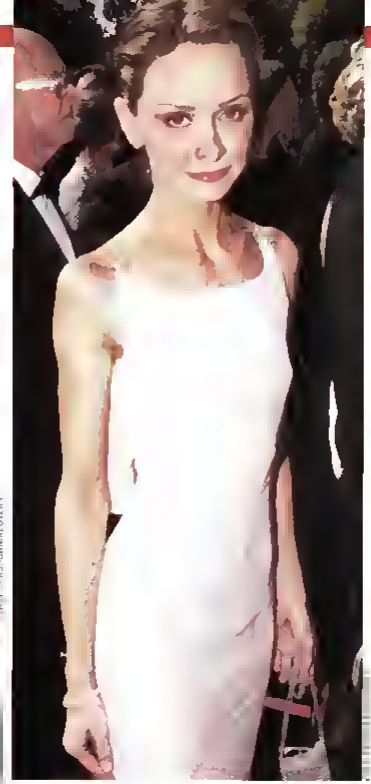
PETER BREGG/MACLEAN'S

PROUD TO BE BIG

BY BARBARA WICKENS



OTHER EXTREME. *Ally McBeal*'s Flockhart, at the Emmys (right), has denied persistent reports that she is anorexic



The fat fight back against its and discrimination





UNWANTED ATTENTION: Manheim, accepting her Emmy (above), has joined the campaign for better acceptance and understanding of the overweight. Large people who hold prominent positions in public life such as Manheim, Duffy (left) and MacNeil (right) often feel the sting of gratuitous remarks about their size

The message came through loud and clear. In September, when Hollywood's Camryn Manheim won an Emmy for best supporting actress in a television drama series she held the gold statuette high over her head and boldly declared: "This is for all the fat girls!" The statement helped propel Manheim, who portrays lawyer Ellenor Frutt on ABC and Global's *The Practice*, onto *People* magazine's bellwether year-end list, "The 25 most intriguing people of the year." Broadway Books will publish her autobiography, *Wake Up, I'm Fat*, based on her 1995 one-woman play of the same name, in May. And countless people have written to the 37-year-old actress or stopped her on the street to thank her for her gesture. Thrilled as she is by the reaction, however, that is not why she did what she did. "I was doing it for myself," Manheim told *Maclean's*. "Winning an Emmy was the culmination of a long struggle."

Like many large people, Manheim says she fought for years to get her weight under control, damaging both her body—she was addicted to amphetamines at one point—and her psyche. Many casting directors, looking through the loopy lens of thin-obsessed Hollywood, magnified her problems, telling her she would never find work. "I felt that I had three choices," she says. "I could either destroy my spirit, I could change myself so I could learn to love myself, or I could love myself just the way I was. Well, I tried to destroy my spirit with drugs, and I tried to lose weight and I almost killed myself. So I was left with what I think was the most difficult choice, loving myself just the way I am. That's my goal and I'm close enough to enjoy my life and laugh everyday." Encouraged by the Sacramento, Calif.-based National Association to Advance Fat Acceptance, Manheim used the word "fat" at the Emmys deliberately. "If we are going to say that being fat is not bad and it is simply a characteristic of somebody," she says, "then we have to say it loudly and we have to say it with pride."

As the self-declared "poster girl for fat acceptance," Manheim is at the forefront of a movement gaining momentum throughout North America. Groups like NAAFA have lobbied for years to lighten the crushing load of prejudice society piles on the obese. Other organizations have followed suit, including the Toronto-based Canadian Association for Size Acceptance (CASA), founded just over a year ago by NAAFA's Canadian representative, Helena Spring, a large-sized nurse. The groups' message: although most modern societies have legislation prohibiting racism, sexism, religious intolerance and discrimination against the disabled, the obese are still fair game. "It's the last socially sanctioned form of discrimination," says Toronto writer Kerry Daniels, founder of *Heavy Girl Press*, a quarterly magazine that promotes fat acceptance.

The notions that fat people are lazy, have no self-control, are by definition unhealthy or could lose the weight if they *really* wanted to are just myths, say those who advocate acceptance. The public, in general, may take a lot of convincing. One 1993 Harvard School of Public Health study found that, compared with thinner women, obese females were 20 per cent less likely to marry and 10 per cent more likely to be living in poverty. That was regardless of how and where they grew up or of how they had scored on achievement tests as teens.

Still, the lobbyists have one plus on their side: demographics. With increasing numbers of baby boomers hitting their 50s, many are putting on the pounds known as middle-aged spread. It is the marketplace—not social conscience—that will likely nudge attitudes along. And there are signs that it is already happening. Newsstands are offering fashion magazines, such as *Mode*, aimed at the 30 per cent of North American women who wear size 14 or larger. And more so-called plus sizes are available in department stores and specialty shops.

In some cities, dating services have sprung up to cater to large people. *More to Love*, a Canadian feature film to be released next summer, tells the story of a heavy woman who finds self-acceptance and then true love with a handsome—and average weight—man she meets at a social club. For director Paul Lynch, who wanted to show that large women have lives that are as rich and varied as their slender sisters', it was important that the actress who played the lead role of Maryanne be attractive. "This is not in any way a freak show," says Lynch. "This is a romance." After trying unsuccessfully to find a Hollywood actress to fit the bill, he heard from Louise Werner, a five-foot, 9-inch, 229-lb. former model who lived in Santa Monica, Calif. The Swedish beauty, who studied with the late famed acting coach Lee Strasberg, had been unable to find work when she could not lose the 110 lb. she had put on in two pregnancies.

Still, getting the film made took four years, says Lynch, who explains the entertainment industry's fat phobia made it difficult for him to find a backer. Toronto's Crystal Films Inc., which was interested in producing a low-budget art film, finally took on the project. Of course, it's not just in Hollywood where fat is reviled. In Canada, the satirical biweekly *Frank* routinely refers to Mike Duffy, the Ottawa-based host of CTV's *Sunday Edition* newsmagazine, as "The Puffster." Because of a pending lawsuit, he declines comment on *Frank*. Duffy says, however, that while "it is clear to anybody who has their eyes open" society is biased, being heavy has not been an issue in his TV career. "I've been lucky because I've had bosses who were prepared to ignore that and allow me to be a journalist." Perhaps no one has been as cruelly savaged as singer Rita MacNeil. In her new autobiography, *On a Personal Note*, the Nova Scotia entertainer writes that despite all her achievements she could never escape the issue of her size. "My appearance was usually an issue, no matter if I was interviewed for television, radio or print. I was a 'heavyweight challenger for the title of pop queen,' an 'unlikely star.'"

Celebrities are humiliated publicly—but they also receive support from their fans. Ordinary heavy folk are more likely to suffer the reproaches and insults in silence. But it is time to draw the line, says CASA's Spring. "If I hear someone muttering behind me about how fat I am," she says, "I turn around and politely say, 'You said it to my back, now say it to my face.' They usually back down."

Meanwhile, there is a bit of a backlash developing towards the emaciated image promoted by the wraithlike Kate Moss and her ilk. In recent months, many fashion publications have declared "the supermodel is dead." A similar uproar occurred after Calista Flockhart, the slim star of FOX TV's hit comedy *Ally McBeal*, looked especially gaunt at the same Emmy Awards where Manheim took home her statuette. Reacting to reports that she was anorexic, Flockhart's publicist denied the actress was ill and declared she would go home and eat "a bucket of chicken." But the rebuttal did little to calm the controversy that raged in the entertainment media for weeks afterward. A sign, perhaps, that thin is not quite so in any more. □

Patrolling for hate on the Net

An upsurge in racist Web sites has school boards scrambling to cope

Abbee Corb-Cinotti spends most of her days browsing for hate on the Internet and, unhappily for her, she almost always finds it. A former college instructor, now an Internet specialist with the Simon Wiesenthal Centre in Toronto, Corb-Cinotti is one of a small handful of cyber sleuths documenting the rise of hate sites on the World Wide Web. They come in all sizes. When TV's Ally McBeal felt her biological time clock go off last season, she was visited by electronically animated images of a dancing baby, a fixture of the Internet—and a growing fad with mainstream advertisers. The dancing baby can also be found now anchoring a white-power Web site out of New York City, gyrating to skinhead lyrics.

With only a little searching it is not hard to find sites that are relentlessly anti-Semitic, anti-black, anti-Muslim, anti-Catholic, anti-homosexual or gratuitously violent. Even *Sesame Street*'s Bert and Barney the purple dinosaur have a dark side in the hands of some Web site operators. Says Corb-Cinotti: "With all the graphics and the music and the games you can't help but feel these sites are geared to young people."

According to the Simon Wiesenthal Centre, an international rights group, hate sites on the Web have grown to more than 800 from about 50 three years ago, as many as half aimed at young browsers. A Canadian Human Rights Commission tribunal is in the midst of clarifying its authority over racist messages on the Internet with a test case involving a California Web site that once emanated from Vancouver. And with the Internet on the computer stations of almost every school in the country, school boards are trying to come to grips with the phenomenon of what they call inappropriate browsing.

In the next few weeks, the Calgary Board of Education will be introducing into its 220 schools a Web-blocker called Bess, the most efficient software it has been able to find to weed out hate or pornographic sites from student searchers. Marika Bourque, superintendent of learning and information technologies at the board, says there have been some serious incidents in the past involving hate sites and students sending passages from them or e-mail threats to fellow students. The filtering software is sophisticated enough to trace inappropriate browsing back to the individual.

Commercial software restrictors with names like Net Nanny and CYBERsitter are available in stores and come as part of the package with big Internet providers like America Online. But software designed to weed out sites by the use of specific catchwords can be crude instruments—they can block the wrong information and let some nasty things through, critics say. What's more, crafty Web site operators can get around the restrictions by changing the catchwords that are used as lures.

Music is one of the big draws on the Internet. Teenagers quickly learn the MP3 designation that signifies tunes that can be downloaded on the family computer. But anyone typing "MP3" or even "lyrics" or "alternative music" into a search engine should be prepared to sort through a handful of white-power sites that bray racist lyrics and act as fronts to other propaganda. It can be the same for innocent homework inquiries about religion, the Holocaust or even games. The Web hosts white-power versions of such popular teenage games as Doom and Wolfenstein. Click on the "more like this" button and these sites offer other glitzy kids games or cross-word puzzles with racist content.



Neo-Nazi home pages (above and below), Bert's dark side (bottom). 'geared to young people'

In Calgary's case, trustees are still wrestling with what exactly should be blocked. Other boards, such as the Coquitlam school district in southwestern British Columbia, have rejected blocking software altogether in favour of a code-of-conduct form that is sent home for both parents and students to sign. Net nannies "give you the illusion of security," says Patricia Gartland, Coquitlam's district principal for community services. "We take the approach you have to learn to use the Internet wisely." Students who visit banned sites or send harassing e-mail are treated like those who break other school rules, depending on the severity of the offence.

The dilemma facing school boards mirrors that of the Canadian Radio-television and Telecommunications Commission, which will hear arguments in February as to whether the Internet should be regulated like radio and TV, or left to market pressures and software filters to weed out the bad apples. Canada is a relatively clean country as far as domestic hate sites go. And while some well-known racists have bragged about their glitzy Internet ads, police hate-crime specialists have not detected any uptick in youth recruitment. Still, the consensus is that the lures are out there, that it is embarrassingly easy to stumble upon some pretty vile sites—and to be targeted by them electronically in return—and that, for young surfers in particular, the Web can have a dangerous undertow.

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Chukwu, Udobi days after the births: 'we still need prayers'

ST. LUKE'S HOSPITAL

Health

Clinging to life

The surviving octuplets' chances are improving

Like almost any new parents, the father looked proud and the mother was radiant, despite the surgery she needed after giving birth to eight babies. During a news conference last week at St. Luke's Episcopal Hospital in Houston, the beaming Nigerian-born mother, Nkem Chukwu, 27, said that when she first saw the octuplets, "I was amazed at what God had blessed us with." Turning to her husband, Iyke Louis Udobi, she added, "I want them to be just like you." All of the babies, born more than 10 weeks prematurely on Dec. 8 and Dec. 20, were dangerously small. Early last week, the tiniest—a girl who weighed only 10.3 ounces at birth—died as teams of doctors struggled to save her life. The surviving babies—five girls and two boys—were in critical but stable condition. They will remain indefinitely at the adjacent Texas Children's Hospital. Chukwu, who was able to return home, said she was happy to have "as many babies as God wants to give me." She added that when her obstetrician, Dr. Brian Kirshon, had suggested a "selective reduction" in which some of the fetuses would be aborted to give the others a better chance of survival, she flatly refused—"I wasn't even going to give it a second thought."

The couple declined to address the touchy question of who administered the powerful fertility drugs that led to Chukwu's multiple pregnancy, or the ethics of a practice that has increased the incidence of multiple births of babies who often have a precarious hold on life. (Chukwu lost triplets after a miscarriage earlier in 1998.) "When you get up to these high-order pregnancies," said Kirshon, "it's so unusual to be able to keep the babies alive." In the largest known multiple birth, an Australian woman had nine babies in 1971, but none survived. In 1996, a Spanish woman bore eight babies, of which six survived.

The outlook for the surviving Houston octuplets—three of whom required ventilators to help them with their breathing—appeared to be brightening. Hospital officials said that ultrasound tests showed no evidence of the brain abnormalities that often occur in undersized infants. "Now that the babies are more than a week old," added Dr. Leonard Weisman, head of the children's hospital Newborn Center, "we estimate their chances of survival at about 92 per cent."

During an earlier encounter with reporters, Udobi, 41, brushed off questions about assault charges laid in September when he was accused of striking and biting his mother-in-law, Jane Chukwu. Udobi is scheduled to appear in court on Feb. 8. "The family has a problem we have worked through," he said. "The family is together." Udobi, who immigrated to the United States from Nigeria more than 20 years ago, is a respiratory therapist at Houston's St. Joseph's Hospital, where he operates the same kind of equipment that is keeping some of his children alive. Udobi said that he married Chukwu five years ago after meeting her during a visit to Nigeria. The couple, both devout Christians, are naturalized U.S. citizens.

The new mother left the hospital in a wheelchair, weakened by the gruelling ordeal that began when she entered St. Luke's three months ago. The last six weeks of her stay were spent in bed—and for two weeks Chukwu was positioned uncomfortably head-down on an incline to relieve pressure on her cervix. After the first of the babies—a 22-ounce girl—was born naturally on Dec. 8, doctors used drugs to close the mother's cervix to give the other fetuses more time to develop in the womb. They decided to deliver the remaining babies by caesarean section 12 days later after becoming concerned that the smallest fetus might not survive in her mother's crowded womb. When the babies were born, the largest—a boy—weighed only 26 ounces.

As news of the Houston octuplets spread, the babies were showered with gifts that included some cash donations and pledges of free diapers, baby formula and groceries. But Chido Nwangwu, publisher of the Houston-based newspaper *USAfrica*, said that so far there did not appear to have been gifts on the scale of those received by Bobbi and Kenny McCaughey of Carlisle, Iowa, after she gave birth to septuplets on Nov. 19, 1997. Local officials in Carlisle organized the construction of a seven-bedroom house for the family. Other gifts included a Chevrolet van and a fund for the babies' future education.

Udobi and Chukwu may need help on a similar scale just to meet their medical bills—hospital officials estimated it will cost about $400,000 to care for each baby until they go home. Noting that the couple's suburban townhouse and their family car are too small for their greatly expanded family, Udobi told reporters, "We want to ask the world for help." And, added Chukwu, "we still need prayers."

MARK NICHOLS



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Beatty: the president clearly wants to be reappointed when his term expires

Broadcasting

CBC at a crossroads

BY ANTHONY WILSON-SMITH

Perrin Beatty is wired for sound—and anything else he can summon up on the computer hardware surrounding him In his fifth-floor office at CBC headquarters in west-end Ottawa, the 48-year-old president of the public broadcaster has just finished listening to a CBC radio program in Halifax which he has downloaded from the Internet. Now, he is back on the CBC's main Web site (*cbc ca*) testing its capacity to provide video images accompanying news stories Alongside his desktop computer, a smaller laptop is loaded with charts and figures measuring ratings of the CBC's English- and French-language radio and television broadcasts It is hard to believe that as recently as six years ago, when Beatty was communications minister in Brian Mulroney's Progressive Conservative government, he was, he concedes, "the last person in the department to have a computer I just didn't think that I needed one "

In this case, the more things change, the *less* they stay the same In many ways, Beatty is staking the CBC's future—and, for that matter, his own—on an ambitious plan to reshape Canada's public broadcaster into a more flexible, computer-friendly entity for the uncertain times that lie ahead That, Beatty said in an interview last week, means the CBC must be ready to consider everything from the launch of its own specialty channels on television in the short term to how it will greet the day when the technologies of radio, television and computers all converge "There are two certainties about the future in broadcasting," Beatty declared "One is that there will never be less competition than there is now The other is that the technology of today will look primitive a decade from now Anyone in our business who ignores those realities likely won't last until then to acknowledge their mistake "

Meanwhile, the CBC's plans for its immediate future are contained in a series of thick binders that are about to be submitted to the Canadian Radio-television and Telecommunications Commission (CRTC) For the first time this spring, the CRTC is simultaneously reviewing all the CBC's licence-renewal applications, The process is likely to take a minimum of a year, and occurs even as Beatty's tenure as president expires on March 31

That, in turn, has triggered speculation over whether Beatty will be re-appointed to a full five-year term, have his present term extended by another year through the CRTC hearings—or whether Prime Minister Jean Chrétien will appoint someone else to run the CBC The position pays about $200,000 a year—a tiny figure compared to private broadcasting (For example, last year CTV CE(Ivan Fecan drew a base salary of $919,000 including bonuses, as well as a stock package worth $7 million.) Still, the prestige and influence associated with the CBC job are enormous. The prime minister, in his year-end interview with *Maclean's*, was deliberately vague on the topic, saying only that he will announce his decision on the presidency "in the new year." Although close observers believe that Beatty wants to be reappointed, he said only that "the first people to hear about my future plans will be my employees "

In CBC circles, other favoured candidates are former CBC executives Peter Herrndorf, who unexpectedly announced his resignation as head of TVO, Ontario's public network, in December, and Trina McQueen, now head of the Discovery Channel Herrndorf, who was out of the country last week, explained his departure to friends by saying he will serve as a fellow at University of Toronto's Massey College for the next academic term—a post that will allow him "time to just reflect about all kinds of things, including what I want to do next in my life " Beatty, Herrndorf and McQueen all "have friends within the CBC," said Vince Carlin, a former head of CBC Newsworld who is now chair of the journalism program at Ryerson Polytechnic University "Any of them would be seen as friendly choices " Other names mentioned are James McCoubrey, currently the CBC's chief operating officer, and Richard Stursberg, the head of the Canadian Cable Television Association Both have extensive private-sector experience and are considered hard-nosed cost-cutters

But in the short term, at least, Beatty remains the man in charge—and he has already started pushing the CBC in directions that seem certain to continue with or without him Despite massive budget cuts over the past five years—which have shaved $400 million from the corporation's annual budget, reducing it to $1 1 billion—the CBC has been aggressively expanding in several areas They include the launch of the *Réseau de l'Information* (RDI), the French language counterpart to Newsworld, the "Canadianization" of the English television network's schedule, so that more than 90 per cent of prime-time television programming is now made-in-Canada, and the launch and continuing expansion of the CBC's Internet services

Perhaps the most controversial and ambitious of those is Beatty's on-line news project, which was announced in November That move will cost an estimated $20 million a year to operate and have its own, separate staff—meaning that it draws money and personnel that could otherwise have been used in radio and television. So far, about a half dozen journalists are working full-time for the service, which also heavily relies on the resources of radio and television

That innovation, predictably, has drawn harsh criticism internally from personnel in both sectors, who argue that the move is eroding the CBC's strength in core areas But, Beatty insists "The choice is to change, or die—and surely the second choice should not be an option." And Beatty's arguments in favour of expanded services—even at the expense of more traditional ones—is backed by figures. A survey conducted jointly by CBC Research and Nielsen Media Research last fall showed that 23 per cent of Canadian adults now have Internet service—an increase of 77 per cent over the previous year. By next year, according to the survey, half of Canadian adults are likely to be using the Internet, at least occasionally.

At the same time, following a trend that is also evident in the United States, the audience share for traditional networks such as the CBC and CTV is continuing to decline because of the growth of pay and specialty channels In 1997, the CBC's share of the English-language audience fell to 10 8 per cent from 11 3 per cent the previous year That drop was small but does indicate a trend, one apparent in the increased share won by pay and specialty channels, which grew from 19 5 per cent to 26 4 per cent in that time period

Because of such results, Beatty is proposing that the CBC pattern itself after the British Broadcasting Corporation, which in the past decade has successfully reinvented itself by launching such new services as a digital broadcasting service with improved picture quality, a television news service on cable in the United States, a magazine group and an on-line Web site. That expansion was achieved despite similar government pressure to reduce its dependence on public funds (About $700 million of the CBC's annual budget comes from the federal government, while the rest is from other revenue sources, such as advertising.)

Beatty insists the CBC can do the same without having to ask for more government money. "We need to learn how to be more creative using the resources that we have in a variety of different ways," he says One option is to work in "partnerships" with other companies on joint projects. That idea, used by the Public Broadcasting System in the United States, would see private corporations individually sponsor whole programs or series Rather than show advertisements throughout, Beatty says, the sponsors would be identified at the start and close of the program, they might also supply production resources

Another challenge is to find ways to use programs produced for the CBC in more than one way "When you have as much original programming as we do," Beatty says, "it is crazy to only use it once, and then just put it aside." Already, some news programs produced for the main CBC network are reshown on Newsworld—and vice versa—and that practice could be expanded if the CBC wins permission for new specialty channels As well, the French language Radio-Canada network is cooperating on some ventures, including an upcoming, jointly produced TV series on the history of Canada that will be the same in both languages

Still, the biggest of the CBC's new ventures is without question its



MACLEAN'S

McQueen: among the favoured candidates

Staking the CBC's future—and his own—on an ambitious plan



PAUL BUCKLEY

Herrndorf: seen as a 'friendly choice'

efforts on the Web. Four years ago, the corporation launched Web sites in both official languages, in 1996, it began offering audio on them, featuring regular CBC radio broadcasts. Now it offers about 50,000 pages of Web content, and some 7,000 hours of audio and video content that can be downloaded every day (including programming from the main network and regional stations on television and radio). As well, the CBC's new media section now offers services available only on the Web or by satellite. They include Galaxie, a 30-channel audio music channel devoted to Canadian talent, and CBC4KIDS, a channel aimed at 8- to 13-year-olds.

Still, those efforts have often been overshadowed by the ongoing controversies and infighting that have come to be regarded as a fact of life at the CBC. For one, insiders say that Beatty's relationship with the board of directors has frequently been strained. Under cloak of anonymity, some board members have sniped at Beatty to journalists, suggesting he does not understand the "inner culture and tradition" of the CBC, and claiming his powers have been reduced within the corporation. Beatty emphatically denies that assertion, saying: "My mandate and powers are exactly the same as they have always been." Some board members have close ties with the federal Liberal Party for instance. Richard O'Hagan was once a press secretary to Pierre Trudeau, and lawyer John Campion is a close friend and former law partner of Health Minister Allan Rock. Several board members feel closer to CBC chairwoman Guylaine Saucier, a chartered accountant who is considered more interested in spending controls than creative output. She, in turn, was believed to be directly responsible for luring McCoubrey, whose keen eye for the bottom line has rankled many employees. (Beatty, for his part, calls McCoubrey "an outstanding addition who, by taking over day-to-day management, is allowing me to devote the time I need to planning.") The president has himself not hesitated to implement cuts. Beatty sold off the CBC's old head office quarters on Ottawa's Bronson Avenue, moved senior officials into their present space atop the CBC's local studios, and has overseen a reduction of the work force from 12,000 employees to the current 9,000.

The most recent blow to staff morale came with the unexpected resignation just before Christmas of Jim Byrd, the widely liked vice-president in charge of English-language television programming. In his resignation letter, Byrd—who is refusing interviews in the wake of his decision—said he only that he wanted to "move on to new challenges." But, he added: "I never heard from was pushed because he was seen as resistant to change. Others believe that Byrd, who began his 29-year career as a video editor and was regarded as friendly to the scope and pace of cuts and changes.

That may be true—but the place where the budget cuts are felt most keenly is at CBC Radio, where employees are still reeling at the unexpected revelation last year that they faced a further $3-million budgets walls. As a Tory MP from 1972 to 1993 and cabinet minister for nearly 10 years, he resulted, says Carlin—who also formerly regular part of life on Parliament Hill." As CBC Radio news—in what he calls an "on-air communications minister, with a mandate deficit: you can literally hear the loss of quality that the cuts have caused.' One reason is the elimination of an entire level of producers who used to oversee local newscasts—how many minutes it would take before and provide editing advice; now, in many cases, the person who writes news copy also edits his own work—which, because of time, absence of fact-checking, almost inevitably results in errors and oversights.

At the same time, journalists at CBC feel that they have been demoralized by several recent incidents. They include the suspension of *The National* reporter Terry Milewski for his role in what is known as the APEC Affair. Milewski provided CBC's lead coverage, probing the role of Chrétien and the Prime Minister's Office in curbing demonstrators at a November 1997 meeting of leaders attending the Asia Pacific Economic Co-operation summit in Vancouver, where protesters were repelled with pepper spray. Milewski was suspended by his employers after he wrote a letter to *The Globe and Mail* suggesting he had been muzzled by the PMO.

Now, many CBC journalists are furious with McCoubrey for remarks that he made recently to the *National Post* in which he appeared to question their objectivity. McCoubrey—who did not respond to a *Maclean's* request for an interview—told the newspaper that he often hears criticisms "about the CBC having a left-wing bias," adding "[that] suggests to me that we need to take a long hard look at whether we are as balanced as we think we are." Those comments, one senior CBC journalist said bitterly, "are the sort of thing we expect to hear from people at other networks, not our own."

Both incidents have led to widespread suggestions that the Liberals are turning the heat at the highest levels of the CBC over its news coverage. Both sides, in turn, deny that. Beatty, in fact, defends the PMO's action in filing an official complaint on why the Prime Minister's Office should not be allowed to use it like anyone else. "We are one of the only news networks to provide such a method of discourse for our viewers: there is no reason why we are the only ones," he added. "I never heard from the prime minister or anyone around him about the incident." Chrétien, in turn, said never call them." When asked about the board of directors, he answered sarcastically: "It's not very visible when I watch the news."

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Keyboard perfection

A piano lover collects the best from top players

When Tom Deacon describes himself as a collector, he is not exaggerating. But with 25,000 recordings on vinyl and another 10,000 on compact disc in the basement of his three-storey house in Amsterdam (there are 3000 bottles of wine there, too), this is much more than a hobby—it's a passion, and a job. As director of catalogue exploitation for Philips Music Group, Deacon is responsible for designing market-friendly reissues of previously recorded material—collections, in other words. *The Richter Edition*, *The Baroque Edition* and *The Art of Alfred Brendel* are all recent Deacon projects. And now, with *Great Pianists of the 20th Century*, he and Philips have launched their most ambitious undertaking.

The 200 CD series, of which 40 volumes have been released since August, is sponsored by Steinway & Sons, and starting this week will be the centrepiece of a CBC Radio series hosted by Eric Friesen. It is also the first multi-label collaboration of its kind, uniting contributions from the archives of approximately 25 different recording companies for a total of 250 hours of music.



Friesen, Deacon (right), a basement filled with 35,000 recordings

And for a pianophile like Deacon it was a project made to order. Pink-cheeked and silver-haired, the 56-year-old native of Toronto started playing piano at 6 and was already collecting records in his teens. At university, he studied modern languages, not music, and eventually taught French in Winnipeg, where he first met Friesen. Friesen encouraged Deacon to move to Toronto and try his hand at freelance music journalism. He did, producing CBC's *Live from Roy Thomson Hall* from 1982 to 1984, and creating the popular *DiscDrive* program as well.

Deacon took a job with Philips, headquartered in Amsterdam, in 1992, breaking ground for the *Great Pianists* series a few years later. In 1995, he convened a group of producers and marketing executives from Philips, Deutsche Grammophon and Decca to draw up the list of pianists. "There were hundreds of names to choose from," says Deacon. "The rules of the game were: not much discussion, unanimous agreement and, if there was hesitation, go on to the next name. We went through the list three times, selecting the first 35 without too much trouble, and when we got to 74, we stopped."

Chronologically, the edition ranges from Ignacy Paderewski, born in 1860, to Russian-born Evgeny Kissin, still in his 20s. Each volume comprises two CDs, tastefully packaged in cardboard slipcases (no plastic boxes here, these have the look and feel of miniature albums from the heyday of vinyl). Seventeen pianists receive two volumes, or four CDs each; a hallowed few—Sviatoslav Richter, Alfred Brendel and Vladimir Horowitz for example—get three.

The list is by no means uncontroversial. Even some of Deacon's personal favourites did not make the final cut. He did have control over the repertoire, however, virtually secluding himself at home until he had gone through hundreds of hours of recordings. "I take responsibility for every piece of music in this edition," he says with satisfaction. "It took me 6½ months [...] and 45 years. It was the hardest thing I've ever done."

More than 25 per cent of the music has never been released on CD before (only Mitsuko Uchida's performance of Schoenberg's *Three Pieces, Op. 11* was recorded especially for the edition). There is less repertoire duplication than one might expect, and there are surprises. Those include Andre Previn's improvisations on George Gershwin songs, which Deacon considers "perhaps the greatest single recording of piano music I've heard in the last year," and Earl Wild playing ferociously difficult piano transcriptions, which Deacon insists only half a dozen pianists today have the technique to negotiate.

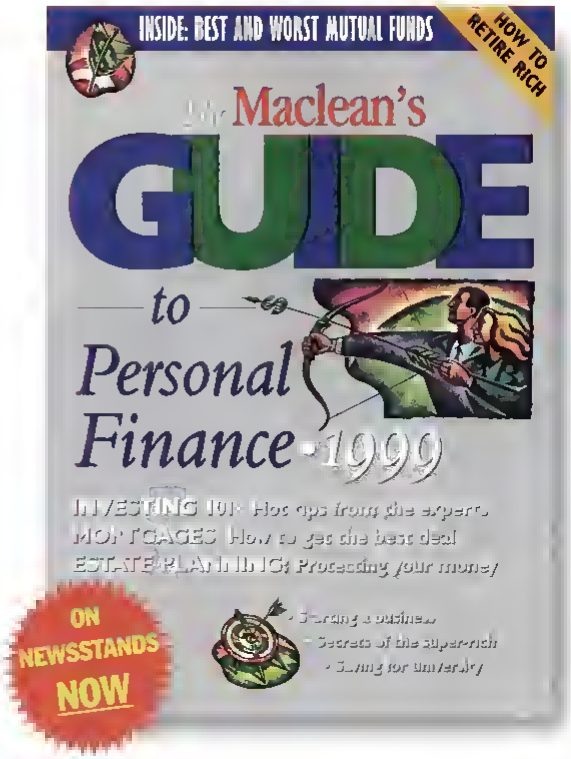
In tandem with *Great Pianists*, Deacon will join his old friend and former colleague Friesen for 39 hour-long radio programs based on the series, a co-production between CBC Radio, Philips Classics and Minnesota Public Radio. The shows will air Thursdays at 1 a.m. on CBC Radio Two beginning on Jan. 7 (U.S. broadcasts start on April 4).

Chuckling, Deacon says there was some discussion of "just turning me on and letting me talk.' Certainly, his encyclopedic memory and loquacity make that a reasonable suggestion. "The man has a mind like a steel trap," agrees Friesen, citing Deacon's ability to recall details of performances, anecdotes and a wealth of personal reminiscence about the artists without reference to notes.

Deacon also delights in making shrewd observations about style, technique—and practising. "Rudolf Serkin never had an easy day at the keyboard," he opines. "Horowitz and Glenn Gould probably practised more than they admitted." As for Martha Argerich, Deacon throws up his hands in awe of the maverick Argentinian pianist's almost supernatural affinity for the keyboard.

Conversation is, of course, only part of each show—70 per cent is music. And here, as in the CD series itself, Deacon's greatest contribution will be his ability to discriminate between the good and the very good, the excellent and the extraordinary.

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WHAT MATTERS TO CANADIANS

Dicey tale of divorce

How could she be neutral about her lover's split?

THE DIVORCE FROM HELL
By Wendy Dennis
(Macfarlane Walter & Ross, 371 pages, $34.95)

"Divorce, like parenthood, is a great divide," Wendy Dennis observes in her troubling new book, *The Divorce from Hell: How the Justice System Failed a Family.* "Those who have crossed it have lived an experience ultimately unknowable to those on the other side." This resonant statement is one of the few unassailable truths in a work of non-fiction in which the truth, or at least the author's interpretation of it, could be challenged at every turn. Toronto writer Dennis, author of a previous best-seller about sex, generated much controversy when, in 1996, *Toronto Life* magazine published her grimly fascinating article on which this book is based. It revealed details of the messy divorce of a middle-class Toronto couple, Terry Nusyna and actor-businessman Ben Gordon.

While the two fought bitterly over everything from possession of the marital home to custody of their two young daughters, they went through several lawyers, mountains of legal bills, bewildered and frustrated social workers, and a judge who yelled in exasperation, warning them that their destructive behaviour would turn their daughters into "basket cases."

The divorce action, which over three years accumulated so much paperwork that it had to be transported in "a dolly large enough to carry a refrigerator," cost Gordon more than $500,000 and, far more important, his role as a father—his daughters, now in their teens, have been estranged from him for several years.

With its close-up, absolutely hellish vision of what happens when a desperately unhappy and badly functioning couple fail at one institution—marriage—and turn to another—divorce—to help them sort out the mess, *The Divorce From Hell* could have been a brilliant and searing book. It comes at a time when a parliamentary committee has recommended changes to the adversarial system, and when society is finally recognizing that fathers should be guaranteed a co-parenting role.

But the book contains a central distorting flaw that in many ways turns the reader into just another pawn in a manipulative game. Dennis is the live-in partner of Gordon. And while she claims her writing is "scrupulously neutral," any neutrality on her part is an absurd notion: no one interested in what's best



Dennis: an indictment of the adversarial system

for their beloved can even approach dispassion in a divorce case, much less one in which the author participated as a putative stepmother to the daughters. "For better or worse," acknowledges Dennis, "I was committed to helping [Ben]."

How this commitment plays out is transparent. When Dennis met Gordon, she writes, she saw "a smart, funny, decent guy ... a wonderful man living through a horrendous ordeal." This same wonderful guy was also charged three times with assaulting his ex-wife, all of which is explained away as manipulation on the part of Nusyna.

As for Nusyna, she starts off well: the author writes that she had a "small waist, beautiful skin and large breasts." But she quickly takes a turn for the worse. "The moment her lifestyle seemed imperiled she'd react like a cornered animal and attack." She is depicted, with much supporting documentation, as turning her two young daughters against their father, being obstructionist and litigious at every turn, and ultimately getting in trouble with the law herself.

By chapter two, the reader is into he-and/she-said legal purgatory. Dennis justifiably savages most of the lawyers connected with the case for their costly posturing and delaying, and is critical of the social workers, the mediation process and the psychological assessors, one of whom seemed to come poignantly close to the truth when he wrote that there was a profound "need for each parent to control and defeat the other." (This is a couple, after all, who when estranged but still both living in the marital home would race each other at night to see who could lay claim to the master bedroom.)

Dennis asserts that all her partner wanted was fairness and joint custody. But it was Gordon who put his daughters, then 8 and 10, in a taxi and sent them back to their mother, telling them she had made it too difficult for him to share them. The girls, now 13 and 15, have not had any substantial contact with their father since, and recently issued a carefully crafted letter to the media, charging that the book was full of "exaggerations, misquotes and bending the truth." They see Dennis as having exposed and hurt them, and their father as having colluded in it. But the truly appalling effect of this story is that even a plaintive letter from the two children, who are so clearly the victims here, seems like more manipulation.

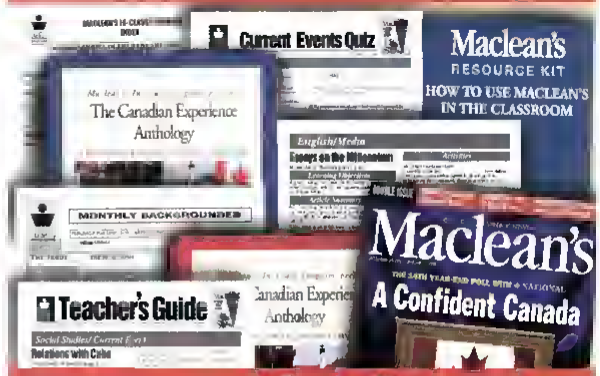
Much of what Dennis sets out to do journalistically is laudable. Writers write what is most compelling to them, and not only was Dennis experiencing Gordon's divorce, she was also back in court with her own ex-husband, demanding more child support. So she obviously has something pertinent to say about a process in which, as one expert tells her, "normal people become neurotic and neurotic people become psychotic."

But Dennis tries too hard to stage-manage adverse reaction to her role in the case, dismissing it as just the journalistic community's "navel-gazing preoccupation." Readers, however, are too smart to buy that. They will take from this book what is relevant—the rough financial and emotional cost of duking it out in court—and dismiss the rest. Perhaps, too, lawyers and other professionals in the divorce industry will regard it as a wake-up call to serve their clients better.

As for illuminating that great divide called divorce, Dennis has done so, but perhaps not quite as she intended. Another subtitle that would have worked equally well here is, "How two parents failed their children." But that is a book Dennis, with her compromised perspective, would not have written. Instead, it is precisely her involvement in the case that makes *The Divorce From Hell* so gritty and repellent in equal measure.

JUDITH TIMSON

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Column



Jane O'Hara

At last, the dirty little secret is out

If freeloading was an Olympic sport, many of the 118 members of the International Olympic Committee would be serial gold medallists. For years, these elderly toffs have been shamelessly hauling their bandy-legged bodies from first-class flights to shiny black limos to five-star hotels in dozens of cities around the world that have vied to host the Olympic Games.

Although nameless and faceless to the public at large, this cartel of self-aggrandizing geezers with dubious titles—the Grand Duc of this, the Marquess of that—has, with imperious whims and caviar tastes, held bidding cities to ransom.

Last month, this dirty little Olympic secret, once known to only the few, came to worldwide attention when Marc Hodler, an IOC member since 1963, blew the whistle on an extensive scheme of vote-buying, bribery and corruption in the awarding of the 2002 Winter Olympics to Salt Lake City. This came as no great surprise to people who have followed the secretive machinations of the Switzerland based IOC. To them, the picking of cities to host the Summer and Winter Games has had a sour odour for a long time.

"It makes you sick," said one Olympic insider who has rolled out the red carpet for this jet-setting crew in the hope of currying favour and securing their votes. "There's a protocol set up for treating them like visiting heads of state. It's something you wouldn't mind doing for someone who deserved it, but these guys are nobodies."

> The freeloading old geezers with dubious titles who award the Olympic Games have been on the take for years

The nobodies are almost all the hand-picked cronies of IOC president Juan Antonio Samaranch, the mysterious 78-year-old Spaniard with the spare frame and the oversized head who has ruled the Games with an iron fist since 1980. Only 12 women—three of them members of royalty—have made the lofty leap to the IOC since first being admitted in 1981. This came at the urging of the corporate sponsors who were nervous about the IOC's exclusive old boys' club image. Most of the rest got there because of their connections in sports, business or politics. Among them: Shamil Tarpischev, the former tennis coach of Russian President Boris Yeltsin, and Mohamad Hasan, a close friend of former Indonesian dictator Suharto.

No one questions Samaranch's business acumen. He has transformed the Olympics from a logo-free amateur sportsfest into a commercial piñata. While billions have poured in from television and corporate sponsors to enrich the IOC, host cities, curiously, still require large amounts of public money to finance the Games. And the athletes, who put on the Olympic show, see comparatively little of the riches that reach IOC coffers.

Unaccountably, the public has shown almost no interest in the seamy politics of the IOC. But British author Andrew Jennings has made it his life's work and has written a carefully researched and heavily referenced 360-page book, *The New Lord of the Ring*. Published in 1996, it outlines Samaranch's rise to power from h days as a city councillor and sports official in Spain's fasci government of Francisco Franco. "Samaranch was an enthusiast servant of the Franco regime," writes Jennings. "He wore th fascist uniform and gave the straight arm salute until the very en He revelled in his duty to control and deliver sport to the great glory of the fascist regime."

The book describes Samaranch's attempts to garner the Nob Peace Prize for himself and the IOC. While many would agree th Samaranch had made the Olympics a safe place for multination corporations to do business, it's a real stretch to suggest the Game have done anything for world peace. But Samaranch had alread been awarded one peace prize—the Seo Peace Prize, bestowed by the organizers the 1988 Games in the South Korean capita Samaranch was a shoo-in as the first recipie of this honour since one of the Koreans r sponsible for awarding the prize was Kim U Yong—Samaranch's right-hand man and member of the IOC executive board.

Using that as a springboard, Samaranc targeted 1994 as the year to win the Nob Prize. That was the year Norway—home the Nobel Prize—hosted the Lillehamme Winter Games. Jennings takes great deligh in noting how Samaranch began pepperi his speeches with talk of world peace and i ternational harmony. On the eve of the 19 Olympics in Albertville, France, Samaranc seemed to take partial credit for the fall of th Berlin Wall. "We are feeling the effects of th wind of freedom that is blowing across ou planet," he said. "It's a phenomenon we [IOC often helped to create."

Samaranch didn't get his Nobel and in 1995, when he turned 75 looked as though he was going to have to leave the IOC presidenc without it. But the ultimate backroom boy soon fixed that—with resolution to the IOC congress to raise the mandatory retiremer age to 80. That effectively left him in power until 2001, and allowe the other dodderers five more years at the Olympic trough.

Without question, Samaranch's reputation has been irreparab damaged by the vote-buying scandal. According to Jenning Samaranch knew that the rapacious appetites of some of his IO colleagues had gotten out of hand, but he risked alienating them if h took too much away too soon. Still, in the mid-1990s, he limited som of their perks and privileges, decreeing that trips to bid cities cou last no more than three days and the value of gifts could no exceed $150 (U.S.). In the wake of the scandal, Samaranch ha announced further curbs: trips to bid cities are suspended. Given th these junkets were among the favourite pursuits of the freeloader the loss of the perk is bound to provoke war in the Olympic family and might be just the thing that will lead to Samaranch's downfall.



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